FBIS DAILY REPORT

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PANAMA'S ABADIA ON UPCOMING CONTADORA MEETING

PA210447 Hamburg DPA in Spanish 1923 GMT 20 Jul 85

[By Danilo Arias Madrigal]

[Excerpts] Contadora Island, 20 Jul (DPA) -- The world should know once and for all that it is either the Contadora process or war in Central America, new Panamanian Foreign Minister Jorge Abadia Arias said in an exclusive interview to DPA.

A 2-day closed door meeting begins tomorrow of the four foreign ministers of the Contadora Group: Bernardo Sepulveda (Mexico), Augusto Ramirez Ocampo(Colombia), Simon Alberto Consalvi(Venezuela), and Jorge Abadia Arias (Panama). It is the first time that the Panamanian foreign minister will participate in a meeting of this type since he assumed office 2 months ago after replacing Fernando Cardoze.

On reactiviation, he noted: We are all optimistic that we will achieve it, after the failure 1 month ago of the meeting of deputy foreign ministers of the Contadora and the Central American countries when Nicaragua asked for an analysis of its bilateral relations with the United States instead of those topics that were listed on the agenda.

We will adopt effective immediate measures within the Contadora Group to reactivate the peacemaking process, said Abadia. On the work within the Contadora Group, the Panamanian foreign minister spoke vehemently about the mission of the Group and noted that the Central American problems are not simple border or ideological problems, but have historical roots that have led to the confrontation in the region.

The Contadora Group is aiding in securing peace and social justice in Central America, said Abadia, delving into the matter. The Central American problems are complex, difficult, and delicate What happens, notes Abadia, is that the Contadora Group cannot impose solutions regardless of how good they may be if it does not have the political will of the five countries in the region. Therefore, among other things, we, the member countries of the Contadora Group, have been careful to maintain the best relationship and harmony among the Central American countries.

The Contadora Group, adds Abadia Arias, has an extremely delicate task ahead because we must avert an armed confrontation in Central America no matter what. Abadia placed his hands on his head and exclaimed: One knows how an armed struggle begins, but no one knows how it ends.

The Panamanian foreign minister analyzed the current situation in this manner. We must prevent chaos and destruction in Central America. The situation is tense and we must prevent the disruption of our peaceful life and the death of innocent Central American brothers, in short, prevent war.

HONDURAS, NICARAGUA ON OBSTACLES TO CONTADORA

PA210241 Panama City ACAN in Spanish 0118 GMT 21 Jul 85

[Text] Panama, 20 Jul (ACAN editorial office) -- The Honduran and Nicaraguan Governments denounced in respective notes sent to the foreign ministers of the Contadora Group today the genuine obstacles that prevent the success of the peacemaking process in Central America.

The Contadora Group (Mexico, Venezuela, Colombia, and Panama) begins meeting tomorrow on Contadora Island, off the Panamanian Pacific coast, to study subsequent steps for achieving peace in the area.

In a communique addressed to the Group, Honduran Foreign Secretary Edgardo Paz Barnica denounced "a lack of political will on the part of Nicaragua as the real and only obstacle" to the diplomatic peacemaking efforts undertaken by the Contadora Group in the region.

For his part, Nicaraguan President Daniel Ortega announced that he sent letters to the governments of the Contadora countries to explain the latest developments and the escalation of U.S. aggressions against his country. Ortega also sent the letter to the countries of the Nonaligned Movement and the UN Security Council to note that the U.S. message on 17 July "is another terrorist action by the United States against Nicaragua." In that note the U.S. Government accused the Nicaraguan Government of being "responsible for attacks against diplomatic personnel in Central America and in any country in the world."

The Nicaraguan head of state described the note as "totally irrational, but logical," because it seeks to condition U.S. public opinion to justify any action by Reagan against his country.

The last meeting of plenipotentiaries of the Contadora Group and Central America, which was held in this capital last June, was interrupted when Nicaragua insisted on including topics not covered in the agenda. One of the topics proposed by the Managua government dealt with the military and economic actions against the Sandinists carried out by the United States. The other Central American countries refused to discuss the Nicaraguan proposal.

According to the Honduran administration, "the attitude of the Sandinist government had the dual purpose of acquiring commitments on essential matters and making a new effort to bilateralize the treatment of the crisis in the area."

The official Honduran document sent to Contadora today notes that Nicaragua "does not discuss commitments on matters of security, especially the border issues or terms for the reduction of arms, troops, and military installations and foreign advisers."

The meeting of foreign ministers is being held in absolute secrecy and under pressure so that the Group includes Argentina and the Dominican Republic, and yields autonomy in favor of the OAS.

The foreign ministers of Panama, Jorge Abadia; Mexico, Bernardo Sepulveda; Colombia, Augusto Ramirez Ocampo; and Venezuela, Alberto Consalvi, are scheduled to meet on the island, which is the seat of the peacekeeping group, in the next few hours.

The Panamanian Foreign Ministry insisted that this meeting is "strictly private" and that details will only be given at a press conference early on Monday in the Diplomatic Room of the Panama International Airport.

The Latin American foreign ministers will meet two days after the Costa Rican Government asked the peacekeeping group to join the OAS and "to stop being an independent organization." Costa Rica, Honduras, and El Salvador are trying to strengthen the role of the OAS in Central American problems. Nicaragua is opposed to this because it believes that this hemispheric forum "is controlled by the United States."

MARTINEZ ANNOUNCES WAGE, PRICE FREEZE EXTENSION

PY202147 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2010 GMT 17 Jul 85

[Text] Buenos Aires, 19 Jul (NA) -- Vice President Victor Martinez today said the freeze on prices and salaries "will be extended longer" than the established 90 days, as requested by the leader of the Argentine Industrial Union, Roberto Favelevic, who had said, "If the freeze were lifted in a short time, it will not have the results that are expected in the general economic plan." Martinez made these statements at 0700 today at the Aeroparque Metropolitan Airport before leaving for Salta, where he will dedicate a bust of General Manuel Belgrano in Tartagal and a school for Indians by order of the Senate.

Martinez also said that he is "sure" that the legislative elections in November will be "easy" for the Radicals, but he did admit that the pre-electoral process would be "difficult" because "it is natural for criticisms and arguments to increase" at this stage.

He said that he could not reveal what happened in the meeting President Raul Alfonsin held last night with Economy Minister Juan Sourrouille, the economic team, and Peronist counselors Roberto Lavagna, Roberto Frenkel, and Enrique Devoto, because he was not present. Martinez pointed out that the Senate will discuss complementary measures of the economic plan such as "the bank debts, the 1985 budget, the partial lifting of the freeze on dollar deposits, and other tax problems."

CENTRAL BANK LIFTS DOLLAR DEPOSIT FREEZE

PY210148 Buenos Aires BUENOS AIRES HERALD in English 20 Jul 85 p 1

[Text] (NA-DYN) -- The Central Bank yesterday decided to return all frozen dollar deposits worth 1,500 dollars or less, including capital and interest, as from August 1. All dollar deposits were previously frozen for 120 days on May 17.

The Central Bank also set minimum figures for telephone bonds (letras telefonicas) of 50,000 australs in the case of financial entities and 5,000 australs in the case of individuals. No sum below these figures may be requested.

CGT THREATENS TO RESUME SUSPENDED 'ACTION PLAN'

PY190019 Buenos Aires BUENOS AIRES HERALD in English 18 Jul 85 p 11

[Excerpts] (NA-DYN) -- The unified CGT [General Confederation of Labor] will restart its suspended "plan of action" unless the government reverses its "recessive economic policy," CGT sources said last night. The sources said CGT directive council members agreed to restart the plan, which included rallies and was topped off by a national strike on May 23, since President Raul Alfonsin has failed to create the socio-economic council promised labour two weeks ago.

Osvaldo Borda, one of the four national CGT secretaries-general, said labour is still waiting for a call from Alfonsin to form the council and not the other way around as some media reports have suggested. "It's not that the president is waiting for us; rather we're waiting for the government to call us to start implementing what was discussed with the president," said Osvaldo Borda, one of the four national CGT secretaries-general. Borda added that the CGT would not join any council that "does not have executive status." The CGT does not want it to be "a place where just opinions are exchanged," he said.

Protest action to voice pay and job security demands continued yesterday as well. The 120,000-strong Construction Workers' Union (UOCRA) said it would "retake the battle path" to demand job security and placed its members on state of alert. The union said 31,776 construction workers in 37 of its 68 branches were suspended or dismissed in the last 45 days. The pharmacy attendants' federation went on state of alert and said its members would work to rule to demand payment of a wage hike agreed on before last June 15. The winery workers and employees federation likewise placed its members on state of alert to protest threats of mass layoffs.

City workers in Chaco Province are to begin a 48-hour strike today to demand wage hikes and protest dismissals. Some 1,000 construction workers who occupied three sites last week yesterday vowed to continue their protest and criticized the Labour Ministry for not ordering compulsory conciliation. The workers are involved in the project to electrify the Roca railway line.

Leaders Meet With Ministers

PY210141 Buenos Aires BUENOS AIRES HERALD in English 20 Jul 85 p 1

[Text] -- (NA-DYN) -- CCT [General Confederation of Labor] leaders held separate meetings yesterday with Labour Minister Hugo Barrionuevo and Economy Minister Juan Sourrouille, with the government stating that over the last seven days 186 companies reported plans to reduce work hours or lay off or suspend workers. The government also promised to formally create the tripartite Economic Recovery Council by next Wednesday.

While CGT secretaries-general met separately with the ministers, 1,000 bank clerks marched on the Central Bank to protest the wave of bank closures that have thrown 5,000 employees out of work. And in Rosario, a general strike called to protest layoffs and suspensions met with partial success yesterday.

CGT Secretaries-General Saul Ubaldini, Osvaldo Borda, and Ramon Baldassini met with Barrionuevo and Sourrouille. The fourth CGT leader, Jorge Triaca, was represented by Textile Workers' Association (AOT) chief Pedro Goyeneche. The CGT presented both ministers with alarming unemployment figures in the construction and textile industries. In construction alone at least 37,000 workers were fired in the last 45 days, according to union figures. In textiles 33,000 workers have been suspended while 1,000 were laid off during the first 20 days of the government's economic reform plan.

The CGT also presented the government with the following list of demands:

Jobs be guaranteed during the implementation of policies aimed at economic recovery;

An economic recovery plan covering all industry be drafted, with state help through public works and housing projects;

Lifting of the freeze on wages and retirement benefits, raising both to make up for price hikes;

Labour Ministry intervention in work protests and solutions which do not alter the situation existing before the government's economic reform plan took effect;

Return of the National Social Welfare Benefits Institute (INOS) to an administration of workers and the state;

Respect for the right to strike and rejection of any attempt to restrict it;

Elections in those unions that have yet to renew authorities.

CGT sources said labour leaders left the meetings worried about the high number of firms that have already announced plans to reduce their work force. The government decree obliging firms to report any layoff plans is now being interpreted by the CGT as simply a means of "officializing" layoffs and suspensions.

In a statement accompanying its list of demands, the CGT warned the government the country is "once again nearing a borderline situation" where "viable alternatives" are scarce.

In the financial "city," meanwhile, bank clerks' association chief Juan Jose Zanola told members at yesterday's rally that "we thought the Chicago boys had left on December 10, 1983 but they're still sitting pretty at the Central Bank."

And in Rosario 5,000 persons rallied in front of the Labour Ministry office to protest the wave of layoffs. But the general strike was only partially successful with one of the two rival CGT's refusing to join.

'SMALL' NUCLEAR POWER CENTER PLANNED IN CORDOBA

PY210002 Buenos Aires TELAM in Spanish 0054 GMT 28 Jul 85

[Text] Cordoba, 17 Jul (TELAM) -- National Atomic Energy Commission (CNEA) President Alberto Costantini announced here tonight that the CNEA has decided to build a small nuclear power center in Embalse, 110 km south of this city. The center will comprise two plants, which will produce cobalt-60 and radioisotopes, and a 15-mw reactor, and will cost approximately $40 million. This important project will be supplemented by the laboratories and the infrastructure necessary for this type of plant, which will be similar to CNEA centers in Ezeiza, Contituyentes, and Bariloche, he said.

Costantini released this information at a press conference during a meeting at Government House. The meeting was attended by Provincial Governor Eduardo Cesar Angeloz, provincial government officials, and CNEA technicians.

Costantini said the CNEA decided to build the center in Cordoba not only because of the governor's considerable efforts to have it built in his own province, but also because of the importance the local industry has given to quality control processes, particularly in the aircraft and automobile industries.

He added that the CNEA has also taken into account the high quality of the local university, and said the CNEA will grant scholarships to professionals wishing to specialize in nuclear science at CNEA's Balseiro Institute, in Bariloche.

The technicians who developed the so-called Cobalt-60 Project reported the technical details. They said the center will manufacture sealed source material for internal consumption and for export. By the end of the third year, the income generated by sales of this material will have returned the initial investment, they said.

As for the radioisotope production reactor, they reported that it will produce material for medical and industrial use, and that it will be used to separate primary radioisotopes and carry out nuclear and biological control processes.

After explaining that the center will be built in the vicinity of the Embalse Nuclear Plant, the technicians said the implementation of the project might begin by the end of the year and that its completion would take approximately 5 years. They pointed out that it will be financed with the CNEA's own resources.

NO JUNTA AMNESTY DECISION UNTIL AFTER TRIAL

PY190007 Buenos Aires BUENOS AIRES HERALD in English 18 Jul 85 p 11

[Excerpt] (NA) -- The government will not make any decisions on an amnesty law until the trial of nine former junta members for human rights violations during the campaign against subversion ends, a government source said yesterday. Another alternative would be to redefine the principle of "due obedience" in the military code of justice, he said. No law would come until senior military officers showed a more repentant attitude although he recognized recent self-critical statements on Monday by Army Chief-of-Staff Teodoro Waldner as a step in the right direction. There had been constant military pressure for a "full stop" throughout the Radical administration, he said.

MILITARY CLAIMS LACK OF FUNDS FOR COURT CASES

PY210156 Buenos Aires BUENOS AIRES HERALD in English 20 Jul 85 p 9

[Text] (DYN) -- The Armed Forces Supreme Council has informed the Defense Ministry that it has not sufficient funds to deal with the more than 1,700 cases on its hands. It says the majority are complicated and many concern the antisubversion struggle and the Malvinas conflict in the South Atlantic. The council adds that it has to deal with courts ranging from Jujuy to Tierra del Fuego. It says the funds it has received from the government do not cover the expenses of travelling to isolated parts of the country. The council is handling the cases involving the members of the third military junta, including General Leopoldo Galtieri, Admiral Jorge Anaya and Air Force Brigadier Basilio Lami Dozo. The case of Mario Benjamin Menendez, former military governor of the Malvinas, is also being handled by that court.

HEALTH COOPERATION AGREEMENT SIGNED WITH CUBA

PY201655 Buenos Aires TELAM in Spanish 0416 GMT 20 Jul 85

[Text] Buenos Aires, 19 Jul (TELAM) -- Public Health and Social Action Minister Aldo Neri and his Cuban counterpart Sergio del Valle Jimenez today signed in Havana a document of agreement on cooperation between their sectors. The two ministers stated that it was their intention to encourage the strengthening of the traditional links of friendship between their nations by establishing a system of consultations which will allow closer cooperation between their sectors. The document further says that the two countries are convinced that technical cooperation among developing countries is a suitable mechanism to reach the goals set by the respective peoples.

Neri has been in Havana since last weekend, participating in a health meeting sponsored by the Pan-American Health Office, and visiting Cuban hospitals and social aid centers.

The document signed by Neri and the Cuban health minister further states that it is necessary to use the funds, made available through bilateral or multilateral cooperation, according to the objectives and priorities established in the health area. It also says that through reciprocal assistance in areas of particular interest to each party, there will be coordination in the fields of food production, medical assistance, training of human resources, hygiene and epidemiology, and research.

PRESIDENT SILES PLANS TO STEP DOWN 6 AUGUST

PY200244 La Paz Cadena Panamericana in Spanish 0000 GMT 20 Jul 85

[Text] Whether or not the National Congress elects a president, President Hernan Siles Zuazo will step down on 6 August. If there is a deadlock, the election of the new president could take longer than established by law, but Siles Zuazo reportedly will not remain in power longer than established.

Commenting on this issue, Information Minister Percy Camacho said the following:

[Begin recording] What I can tell you is that Dr Siles has the best hopes of turning over power to the winner on 6 August. Not to the winner of the vote tallying being conducted at the roofed coliseum, but to the winner established by the National Congress, which, as you well know, will have to decide because of the lack of an absolute majority in the elections.

Dr Siles does not have, and he never had, the intention of remaining in power. He is willing, as provided for in the Constitution, to hand over power to the winner of the vote that is to be held in Congress. [end recording]

That was a statement by Information Minister Percy Camacho.

At any rate Siles Zuazo will turn over power on 6 August to the president elected by Congress or to Congress itself, should there be no president-elect at that time.

SILES SENDS ANNIVERSARY MESSAGE TO ORTEGA

PY201608 Paris AFP in Spanish 1412 GMT 20 Jul 85

[Text] La Paz, 20 Jul (AFP) -- It was officially reported in La Paz today that Bolivian President Hernan Siles Zuazo sent a message to the Sandinist government of Nicaragua on the anniversary of the victory of the people's revolution. The message expresses fervent wishes for the prosperity of the Nicaraguan people.

The message, addressed to Nicaraguan President Daniel Ortega, says that the Bolivian Government and people are in solidarity with the cause and struggle of Nicaragua which, after the long Somoza dictatorship, is building a free and sovereign country without foreign interference.

In turn, Bolivian Foreign Minister Gustavo Sanchez has sent a message to Nicaraguan Foreign Minister Miguel D'Escoto, wishing prosperity for the noble Nicaraguan people and personal good fortune for D'Escoto.

BRIZOLA CALLS FOR PRESIDENTIAL ELECTIONS NEXT YEAR

PY192356 Rio de Janeiro LATIN AMERICA DAILY POST in English 18 Jul 85 p 1

[Text] Brasilia (DAILY POST) -- After a nine-hour meeting with President Sarney, the nation's governors, with the exception of Rio Governor Leonel Brizola, pledged their support to the president in a document released at the end of the gathering. The document listed five points around which the governors pledged to back Sarney: direct elections at all levels, debt talks with Brazil's creditors that set conditions which do not compromise Sarney's goal of a five-percent expansion of the economy this year, continued efforts to lower inflation and to maintain social priorities, agrarian reform, and tax reform.

The only dissident voice was Brizola's. The Rio governor, who has taken an opposition stance in relation to the new Republic, released a separate statement in which he charged that the Sarney administration has not lived up to its word and has continued to practice old-style politics in the new Republic. Brizola once again reiterated his position that Sarney does not have the legitimacy necessary to lead the nation since he was not elected through a direct popular vote. Brizola said that a presidential election should be held in November of next year and said that without this, the president will not have the political clout needed to take the difficult decisions Brizola said are required for social and economic progress.

During the meeting Sarney addressed the governors, explaining to them the position that Brazil has taken regarding the new accord with the International Monetary Fund [IMF] -- refusing to compromise on the goal of five-percent economic growth this year. He also told the governors that although they are all anxious for a tax reform that will give the states a bigger share of the nation's tax revenues, this will have to be decided by the constitutional assembly that will begin to deliberate on a new constitution in 1987. In their document, the governors also expressed their support for the idea of the assembly to re-write Brazil's Constitution.

The meeting with the governors was first suggested to Sarney by Sao Paulo Governor Franco Montoro, who saw in it a means of uniting the country's governors behind Sarney's position for the renewed talks with the IMF and Brazil's creditor banks.

ELECTORAL COURT APPROVES THREE NEW PARTIES

PY201511 Sao Paulo Radio Bandeirantes Network in Spanish 1000 GMT 20 Jul 85

[Text] The Supreme Electoral Court yesterday approved three new political parties: the New Republic Party [Partido Nova Republica], the Nationalist Communitarian Party [Partido Comunitario Nacionalista], and the Labor Renewal Party [Partido Trabalhista Renovador]. Thus the number of parties that will be able to participate in the upcoming municipal elections slated for 15 November has risen to 30.

BOMB KILLS ONE PERSON IN FRONT OF U.S. CONSULATE

PY200207 Paris AFP in Spanish 0153 GMT 20 Jul 85

[Text] Santiago, 19 Jul (AFP) -- Police sources have reported that one person was killed and three people, two of them policemen, were injured tonight in a violent explosion in front of the U.S. Consulate, one block from Chilean Government House.

First reports indicate that the person who was killed was driving his vehicle through the area of the explosion, which apparently was caused by a car full of explosives. Witnesses reported that at the time of the attack the two policemen were standing guard at the U.S. Consulate. The explosion, heard in a large area of Santiago, destroyed four cars and caused serious damage to nearby buildings. The area has been cordoned off by well-armed security units of Carabineros and fire fighters.

No organization has claimed responsibility for the attack, which coincided with the sixth anniversary of the Sandinist revolution.

More Details

PY200228 Madrid EFE in Spanish 0154 GMT 20 Jul 85

[Text] Santiago, 19 Jul (EFE) -- Two car bombs exploded tonight in front of the U.S. Consulate in a new terrorist attack against U.S. installations. The attack occurred at 2105 local time, killing one person and injuring a policeman.

According to first reports, the dead person, whose identity is not known, apparently was inside one of the vehicles that exploded. He could be a member of the terrorist commando that carried out that action. EFE personnel confirmed that a Carabinero was injured, but it has not yet been confirmed officially that a person has died.

Prior to the explosion at 1820, the voice of a woman that sounded as though it had been recorded telephoned EFE to tell personnel to evacuate their office, located 20 meters from the consulate, because two car bombs were going to explode within 10 minutes. The woman said she was speaking on behalf of the Manuel Rodriguez Patriotic Front (FPMR), a group accused by the Chilean Government of being the armed branch of the Communist Party.

The cars burned spectacularly and the powerful explosion broke the windows of nearby buildings.

Dinacos Issues Communique

PY201521 Santiago Domestic Service in Spanish 1100 GMT 20 Jul 85

[Text] The National Social Communications Agency [Dinacos] has issued the following communique regarding the explosion that occurred yesterday in front of the U.S. Consulate:

On 19 July at 2106, [word indistinct], a few meters from the U.S. Consulate, a powerful bomb exploded inside a white Volkswagen with the license plates CK-8069. A man named Mario Sergio Perez Correa, who was in a nearby Daihatsu sedan with the license plates SK-9683, was killed by the explosion. Two Carabineros corporals, Eduardo Arturo Mendez (Saldia), and Carlos Ignacio Arabena Rodriguez, as well as a worker named Ricardo Rojas Endoval were seriously injured by the blast. Ernesto Bustamante Zamora, a passerby, was slightly injured, and was taken to the Central Hospital from where he was later released.

The following vehicles were also destroyed: a Chevrolet station wagon with the license plates VL-9536, a yellow van with the license plates VH-2258, a blue 126-Fiat with the license plates CL-9341, and a 125-Fiat with the license plates EK-1475. The security services are currently conducting the proper investigations into this attack.

This was the text of the communique delivered by the Dinacos.

CHURCH, HUMAN RIGHTS COMMISSION OFFICE BOMBED

PY210028 Paris AFP in Spanish 2159 GMT 19 Jul 85

[Text] Santiago, 19 Jul (AFP) -- A powerful bomb has destroyed the windows and walls of a Catholic church in the city of Villa Alemana, 100 km west of Santiago, in an attack claimed by the clandestine Chilean Anticommunist Action [Accion Chilena Anticomunista -- AChA], church sources reported today. Another bomb blast damaged the Chilean Human Rights Commission headquarters in the same city, but no casualties were reported.

Some AChA leaflets found at Villa Alemana's San Felipe Neri Parish Church, which was hit by the bomb, read, "an eye for an eye against the cassocks." An organization of nationalist leanings, the AChA has claimed numerous similar attacks against Chilean Catholic churches over the last few months. During one of those attacks, on 6 October 1984, an Army officer died when a fire bomb he was carrying detonated and destroyed a church in Punta Arenas, 2,500 km south of this capital, according to an investigation conducted by the courts.

Today's bomb blasts occurred 1 week after the government of Augusto Pinochet confirmed that it has begun to hold talks with the Vatican in an effort to improve its deteriorated relations with the church.

ENERGY CHIEF SAYS NO PLANS TO BUILD ATOMIC BOMBS

PY200257 Paris AFP in Spanish 2123 GMT 17 Jul 85

[Text] Santiago, 17 Jul (AFP) -- National Energy Commission President Herman Brady today stated in Santiago that Chile has no plans to build atomic bombs. The country has not even begun research in the military use of nuclear energy, and it does not have any plans to do so in the future, stated Brady, whose post is ministerial level in the government. According to Brady, Chile seriously believes in the Tlatelolco Treaty, which bans the proliferation of nuclear weapons in Latin America. The Chilean support of that treaty is a political decision that will be maintained, Brady added.

BUCHI VISITS FRG, SEEKS BANKERS' SUPPORT

PY181628 Santiago Domestic Service in Spanish 1100 GMT 18 Jul 85

[Text] Finance Minister Hernan Buchi has begun a 3-day visit to the FRG. During his stay, he will meet with economic officials and bankers. Today he is scheduled to meet the FRG minister for economic cooperation and the finance under secretary. He will also pay a visit to an FRG state bank. The minister will brief the FRG bankers on the foreign debt renegotiation agreement and the contracting of new loans with the 12-bank committee that represents Chile's creditors. These negotiations were held in New York. The minister will ask the FRG bankers to support the agreement. Minister Buchi has visited Tokyo, Bahrain, London, and Switzerland for the same purpose. Upon conclusion of his visit to the FRG, he will travel to Washington and Toronto.

IDB TO GRANT $400 MILLION IN CREDITS IN 1985

PY192121 Santiago Domestic Service in Spanish 1100 GMT 19 Jul 85

[Text] IDB President Antonio Ortiz Mena has announced that the IDB will grant Chile $400 million in credits this year. Ortiz Mena has met with Acting Finance Minister Manuel Concha, Central Bank President Enrique Seguel, Budget Department Director Jorge Selume, and Economy Minister Modesto Collados. He stressed that on the basis of an agreement reached with the Chilean Government, the IDB will grant Chile credits for (?at least) $400 million in 1985.

[Begin Ortiz Mena recording] The overall amount of the credits will not be less than $400 million. [end recording]

Of this $400 million, a $130-million credit has already been approved for an industrial reactivation plan. The other projects to which the Chilean Government has attached priority are the construction of the (Alfalzal) hydroelectric plant in the Cajon del Maipo zone, a project that will cost $120 million; a $100-million Production Development Corporation development plan; a $20-million water supply system plan for rural areas; a $14-million investment plan for the agricultural sector; and an irrigation program in the (Pencague) zone, near the Colbun-Machicura hydroelectric plant. Ortiz Mena stressed that unlike other South American countries, Chile has not discontinued its social programs, despite the economic crisis.

[Begin recording] This is one of the most serious problems Latin America is confronting. The economic crisis, particularly the one arising from the foreign debt, has compelled countries to give priority treatment to those projects that promote exports or that have high yields. In this regard, social programs have been negatively affected because they must be implemented with resources needed for other sectors and also because they call for increasingly larger budget appropriations. [end recording]

He also voiced his favorable opinion of the foreign debt renegotiations being conducted by Chile. He said that Minister Buchi's tour has very good chances of success.

[Begin recording] There are very good prospects for success in the negotiations. [end recording]

In conclusion, he said that Chile has a very well structured economic program that suits the country's real needs and that will turn into a solid foundation for the future.

OPPOSITION MAGAZINE CAUCE BACK IN CIRCULATION

PY191923 Paris AFP in Spanish 2104 GMT 18 Jul 85

[Text] Santiago, 18 Jul (AFP) -- With its two editions almost sold out today, a total of 70,000 copies, the Chilean opposition and centrist magazine CAUCE has reappeared after 8 months of closure imposed by the military regime of General Augusto Pinochet. Its editorial entitled "The Right to the Truth," has stated that 8 months have passed without communicating with our readers, a lengthy period of disinformation for the country due to the implementation of the state of siege decreed 4 days before the celebration of our first anniversary. The magazine's new director, Gustavo Boye, also wrote the following: The repressive apparatus has silenced CAUCE for 8 months, but has not managed to lower its liberatarian spirit or its unswerving decision to fight for the reestablishment of democracy in Chile. On its front cover the weekly magazine carries a color photograph of Gen Augusto Pinochet with the question: When is he going? In its main article, CAUCE writes that government followers think that the regime is exhausted and that Pinocheht will not stay longer than 1989.

BETANCUR DISCARDS PROPOSAL ON DEBT MORATORIUM

PA210346 Paris AFP in Spanish 0124 GMT 21 Jul 85

[Text] Bogota, 20 Jul (AFP) -- Colombian President Belisario Betancur today discarded the possibility that a moratorium would be declared for the Latin American countries' foreign debt. Upon opening the ordinary Congress sessions, Betancur responded to a proposal recently presented by Cuban President Fidel Castro, who asked the Latin American countries to stop payments or declare a moratorium on the foreign debt.

"Colombia prefers an overall agreement through a political dialogue with the creditors," he said.

He stated that Colombia has not hesitated in assuming an attitude which favors a dialogue and solidarity, and warned that it is necessary to find a responsible solution to the region's foreign debt problem (of $350 billion). He then demanded a joint, equitable solution with the participation of the debtor and creditor governments. He rejected the injustice to which the Third World countries are submitted due to the extremely high interest rates they must pay, and trusts that a political understanding will be reached with developed nations.

Betancur said that rich countries should "not demand a quick adjustment in our economies to prevent a possible paralyzation of the democratic process in Latin America."

Castro has advocated that developing countries unilaterally decide to declare a moratorium or simply not pay their debts with creditor nations.

EPL UPHOLDS CEASE-FIRE, REJECTS PEACE TREATY

PA191643 Bogota Emisoras CARACOL Network in Spanish 1215 GMT 18 Jul 85

[Text] Medellin -- The Popular Liberation Army, EPL, maintained here in Medellin that it will continue to comply with the cease-fire accords, but rejected what in its judgment are excesses being committed in certain parts of the country, especially in Antioquia. EPL public spokesman Oscar William Calvo stated at a well-attended public rally in the Berrio Park in Medellin that the group has not signed and will not sign a peace treaty with President Betancur. Calvo explained: What we have signed is a cease-fire accord, which entails the suspension of hostilities between belligerent forces.

GENERAL ALLEGES GUERRILLA-OIL COMPANIES PACTS

PA191645 Bogota Emisoras CARACOL Network in Spanish 1215 GMT 18 Jul 85

[Text] Bogota -- The military forces have documents which prove the existence of accords and pacts between the guerrillas and multinational oil companies in the Arauca area. This was revealed to CARACOL by Military Forces Commander General Augusto Ignacio Moreno Guerrero.

This situation is highly irregular, the high-ranking official said. He asked the government to adopt measures to correct these abnormalities. Gen Moreno Guerrero emphasized that the actions of some of the multinational oil companies in Arauca violate the Penal Code.

SECURITY MEASURES IMPLEMENTED FOR INAUGURATION

PY220207 Madrid EFE in Spanish 0119 GMT 21 Jul 85

[Text] Lima, 20 Jul (EFE) -- In Lima today, the Civil Guard began a security plan to guarantee the transfer of power on 28 July and to celebrate the independence anniversary with the mobilization of 20,000 policemen.

According to the official press agency ANDINA, the security plan includes street patrols supported by mounted police and police dogs in this city. In addition, a motorized police unit is conducting control operations in high-level crime areas. The vehicle department will control vehicles on the roads linking Lima with the rest of the country to identify possible stolen vehicles which are normally used by subversives to carry out attacks and other violent acts. The police in charge of tourism have set up an operation to control the entrance of people into Peru through the Lima international airport and other points.

This operation will be carried out until all the dignitaries and missions attending the 28 July presidential inauguration leave the country.

In the next few days, the police are also going to circulate special instructions for cooperating with police forces to maintain the normal activity of the country. As of 21 July the Lima Prefecture will no longer issue permits for meetings and marches. Lima Prefect Victor Zapata also pointed out that a dry law will be enforced as of 26 July.

No State of Emergency Planned

PY202207 Madrid EFE in Spanish 0455 GMT 20 Jul 85

[Text] Lima, 19 Jul (EFE) -- It was officially announced in Lima today that the Peruvian Government has never had the intention of declaring a state of emergency in the country to confront the wave of strikes and street violence resulting from labor conflicts. In a press conference after the cabinet meeting at the Lima Government Palace, Prime Minister Luis Percovich said the sporadic acts of violence have been brought under control. Percovich reported that the possibility of declaring a state of emergency had not been considered during the cabinet meeting because neither the interior minister nor any other minister made any such proposal.

On Thursday, 18 July, it was hinted in congressional circles that the government might declare a state of emergency throughout the country because of strikes in the remaining few days before the Peruvian presidential inauguration, scheduled for 28 July. The strikes, caused by salary demands, have led to marches and demonstrations by the strikers and consequently to clashes.

SUBVERSIVES SEIZE RADIO STATION, SET BOMBS

PY191403 Lima Television Lima in Spanish 0415 GMT 19 Jul 85

[Excerpt] Four elegantly dressed and heavily armed persons, two men and two women, tonight seized control of Radio del Pacifico to broadcast a message of an apparently new subversive group. At 1535 this afternoon, a self-styled Popular Revolutionary Command [Commando Revolucionario Popular] group occupied Radio del Pacifico. After overpowering the operation, the group broadcast the same message five consecutive times, for a total of approximately 30 minutes.

As they left, the two men and two women placed two bombs in the building. One bomb was planted at the door of the bathroom where the employees were held. Fortunately the police deactivated both bombs.

Other Stations Seized

PY201902 Paris AFP in Spanish 1553 GMT 19 Jul 85

[Excerpts] Lima, 19 Jul (AFP) -- The police have reported that a new subversive group called the People's Revolutionary Command [Commandos Revolucionarios del Pueblo -- CRP] appeared today and managed to broadcast a message, saying that Peru is a volcano about to erupt, over two radio stations in Lima and another in Arequipa in the south of the country.

A commando unit, made up of two men and two women armed with submachine guns, seized control of Radio del Pacifico in the downtown area of this capital. After overpowering the 10 employees, they broadcast a 10-minute message which was automatically repeated.

Another similarly recorded message was broadcast over the modulated frequency band of Radio Panamericana, interfering with signals, as reported by the police and some radio listeners.

Meanwhile, in Arequipa, 1,000 km south of Lima, two armed and hooded subversives who said that they belonged to the CRP yesterday occupied Radio Melodia facilities and, after overpowering the only two employees, broadcast a short message recorded on a cassette, the police reported. It was added that the attackers fled after placing a dynamite charge in the studio.

Furthermore, specialized police personnel yesterday defused a powerful bomb presumably placed by subversive elements at the gate of the San Jose Catholic Church in the Bella Vista neighborhood of the Pacific port of Callao.

Another bomb was set in the San Jose private school in Ica, 300 km south of here; however, police defused it on 18 July. If it had exploded, it would have caused a tragedy among the students and teachers, the source said.

EFE Office Taken Over

PY200109 Madrid EFE in Spanish 0028 GMT 20 Jul 85

[Text] Lima, 19 Jul (EFE) -- An armed commando unit of three youths today took over for 30 minutes the EFE offices in Lima and ordered a female employee to send a message. The commando unit, consisting of two men and one woman, identified themselves as members of the People's Revolutionary Command. They kept their faces covered at all times.

The message says that this organization, which was only recently created, represents the popular rebellion against an unjust social order and that it will maintain a vigilant attitude toward the new American Revolutionary Popular Alliance government.

One of the men painted inscriptions with red spray paint on the walls demanding the release of political prisoners and support for the state employees now on strike.

This group has also claimed responsibility for the takeovers of Radio del Pacifico in downtown Lima and Radio Melodia in Arequipa on 18 July, the attack on the U.S. Consulate on 14 July, and an assault on a gunshop in Lima.

APRA Offices Attacked

PY202100 Paris AFP in Spanish 1621 GMT 20 Jul 85

[Text] Lima, 20 Jul (AFP) -- Police reported today that another bomb attack against an American Revolutionary Popular Alliance [APRA] office took place here yesterday, 19 July. A powerful charge of explosives, presumably set off by terrorists, destroyed much of the APRA office in the populous San Martin de Porres District. There were no victims.

This is the sixth attack in less than 1 month against the offices of APRA, whose leader Alan Garcia Perez will assume the presidency next 28 July. The first four attacks were made on 19 July in the neighborhoods of Magdalena del Mar, Jesus Maria, La Perla, and Villa Maria del Triunfo. A few days later, there was another attack against the APRA office in a slum district in the nearby port of Callao. There were no victims in any of the attacks.

Meanwhile, in Trujillo (north of Lima), three heavily armed members of the Tupac Amaru Revolutionary Movement (MRTA) attacked and took over Radio Star. They tried to broadcast a message but were unsuccessful because the radio station is not equipped to function with the cassette system, the police said. The attackers left the radio station announcing that they had left a bomb inside, but the police did not find any explosives there.

In the same city, another guerrilla group attacked the municipal slaughterhouse of the El Porvenir neighborhood, taking with them 4,000 kg of beef, which the attackers said would be sent to their comrades in the mountains in La Libertad Department.

In Jauja, 265 km southeast of Lima, according to a report by the republican guard, these terrorists were captured yesterday and a whole arsenal was discovered: explosives, grenades, large- and small-caliber firearms, and documents dealing with subversive actions.

Also yesterday, a Peruvian Air Force plane with 180 passengers aboard delayed by over 1 hour its flight to Talara in northern Peru because of a phone call saying that there was a bomb in the plane. It turned out to be a false alarm.

GARCIA REGRETS PRESIDENTS' INAUGURAL ABSENCE

PY191915 Lima Radio del Pacifico in Spanish 1300 GMT 19 Jul 85

[Text] President-elect Alan Garcia Perez expressed concern yesterday over the negative responses of several Latin American presidents to invitations to the ceremony marking the transfer of presidential power.

This was reported by an official spokesman of the president-elect who stated that Garcia Perez was surprised when he was informed that Venezuelan and Costa Rican Presidents Jaime Lusinchi and Luis Monge Alvarez would not attend his inauguration. Spanish President Felipe Gonzalez had already declined the invitation.

Sources close to the future government party have stated that Garcia Perez himself requested the official list of presidents who had confirmed their attendance, in order to prepare his inaugural speech accordingly.

5,000 DEMONSTRATORS PROTEST 'ELECTORAL FRAUD'

PA191455 Madrid EFE in Spanish 1524 GMT 19 Jul 85

[Text] Mexico City, 18 Jul (EFE) -- Approximately 5,000 persons took part in a demonstration convoked here today by the conservative opposition National Action Party (PAN) to protest the alleged progovernment electoral fraud committed in the federal elections held on 7 July. The demonstrators gathered at 1730 at the Monument of the Revolution and marched to the Government Secretariat in the downtown part of the city, where several persons spoke.

A commission of the demonstrators asked to meet with Government Secretary Manuel Bartlett Diaz, who refused their request. After chanting several slogans denouncing the alleged electoral fraud and singing the Mexican national anthem and the party anthem, the demonstrators dispersed at 1930. The demonstration was headed by local and national PAN leaders, including federal Deputy Bernardo Batiz.

Last Sunday, 7 July, elections were held for the Chamber of Deputies, for governors in 7 of the 31 states, for municipal authorities in 2 others, and for local deputies in 6 more. According to the official results, the ruling PRI which has been in power for 56 years, won by a wide margin on all the fronts, although PAN, which is the country's second strongest force, contested the results in several states for alleged irregularities in favor of the PRI. These challenges will not be resolved until August.

LABASTIDA ON FAVORABLE OIL SALES ABROAD

PA212115 Mexico City XHDF Television Network in Spanish 0300 GMT 21 Jul 85

[Text] Francisco Labastida Ochoa, secretary of energy, mines, and parastatal industry, said today that Mexico's oil exports have already reached an average of 1.4 million barrels per day. The secretary said that sales of Mexican crude abroad have rebounded substantially. He emphasized that PEMEX's clients have favorably reacted to the new oil price structure announced by Mexico on 10 July. Labastida made these statements at Mexico City's international airport shortly before leaving for Geneva, Switzerland, where he and three other officials will attend the 74th OPEC Ministerial Conference as observers.

PEMEX DIRECTOR WARNS OF OIL PRICE COLLAPSE

FL181628 Mexico City NOTIMEX in Spanish 0312 GMT 17 Jul 85

[Text] Stanford, California, 16 Jul (NOTIMEX) -- PEMEX Director Mario Ramon Beteta had demanded shared responsibility from the entire oil community to avoid a collapse in crude oil prices that would affect the international financial system. Addressing representatives of some 40 oil companies from the United States and other countries, Beteta said that market disorders benefit no one, least of all debtor nations and enterprises, which would face serious difficulties to fulfill their commitments if crude oil prices were to drop abruptly.

Participating in an energy conference organized by Stanford University, the Mexican official said it is necessary to act very cautiously and with great insight to avoid the disastrous situation often confronted in the international oil market.

According to Beteta, developed countries, buyers of crude oil, which are also the major creditors, have seen in our hydrocarbon exports the best guarantee for payment of the foreign debt service. It is therefore in their interest to maintain the necessary flow of foreign exchange to producer countries. He also justified the price reduction for Mexican crude oil of the Isthmus and Maya types, as well as the adoption of a system of differential prices for this hemisphere, Europe, and the Far East. He explained that this mechanism will be revised constantly in order to implement a more simple one if market circumstances permit it.

The oil industry's medium-term future will probably be determined in the next few weeks, he indicated. OPEC will be subject to heavy pressures and the interest of all countries participating in the crude oil market is at risk, he went on. For this very reason, he invited all sectors, which one way or the other intervene in the market, to contribute constructive ideas to the search for solutions. We must be realistic and accept the fact that we are struggling not to find the best road, but the least bad one, Beteta stressed. Beteta said in conclusion: We are prepared to (?share) the weight of this situation equitably.

GOVERNMENT EXPRESSES SOLIDARITY WITH NICARAGUA

FL201430 Mexico City NOTIMEX in Spanish 2345 GMT 19 Jul 85

[Text] Managua, 19 Jul (NOTIMEX) -- Reiterating its solidarity with Nicaragua, the Mexican Government said today that Mexico believes it is possible to solve any controversy through dialogue and peaceful negotiations because it neither believes in intervention nor wants war. Humberto Lugo Gil, president of the Mexican delegation visiting Nicaragua, said the above today during the commemorative ceremony of the sixth anniversary of the victory of the Sandinist people's revolution.

Lugo Gil said Mexico wants peace based on respect, solidarity, and cooperation between the states. He added that this is Mexico's position in the Contadora Group, and he expressed confidence that the meeting to be held soon will achieve the purpose of giving it a new thrust or renewing a dialogue to minimize tensions and advance toward a solution to this conflict. Lugo Gil noted that Mexico and Nicaragua have had friendly, respectful, and cooperative relations, which are daily ratified, for over a century. The delegate said the Mexican Government, observing inalterable principles of foreign policy as a norm of behavior, has continued, through the Contadora Group, the struggle to reestablish harmony among Central American republics.

Later Lugo Gil said historical reasoning indicates that Latin Americans, having a common origin, should march united toward a common destiny. Lugo Gil added that it is necessary to avoid intervention of any kind, which gives way to conflicts or intensifies existing ones.

The Mexican delegate said it is necessary to achieve unity among the Latin American countries to such a degree that a concentrated effort can be made in favor of regional development and a unified front in the existing grave situation.

In conclusion the delegate emphasized that Mexico supports a policy of active solidarity with Nicaragua for mutual assistance in that country's economic and social development. In addition to Lugo Gil, the Mexican delegation consists of Salvador Neme Castillo, the Mexican Senate Grand Commission secretary, and Ricardo Cavazos Galvan.

NEWSPAPER UNCOVERS 'ARMED INSURRECTION' PLOT

PA190455 Panama City CRITICA in Spanish 17 Jul 85 pp 1, 26

[Article by Antonio Graell Flores]

[Text] A campaign to generate an armed insurrection in the country is being plotted by student political and party groups, like the Student Revolutionary Front [FER-29], in collaboration with Christian Democratic leaders, according to investigations carried out by this newspaper.

As is common knowledge, a series of incidents occurred in the capital as a result of the strike decreed by the National Council of Organized Workers [Conato] which kept the Panamanian community in a state of anxiety and unrest. Undesirable persons wearing masks, or covering their faces with handkerchiefs, set fire to cars, destroyed the police booth opposite El Carmen Church, and confronted members of the National Defense Forces, inflicting bodily injury, including fractures, on several dozen guardsmen.

Investigations reveal that the incidents during the current month did not occur by chance, but form part of an escalation of subversion whose goal is an armed confrontation between native extreme leftists and the National Defense Forces.

FER-29 was created upon the death of student leader Floyd Britton on 29 November 1969. Since then, new undesirable persons have developed a strategy of organization and struggle whose principal objective is conversion into a party which will confront the government, both politically and militarily.

Their fighting tactic is armed insurrection, taking advantage of any outbreaks of protest by established organizations. This is what we saw during the past incidents when individuals, taking advantage of a labor movement like the Conato strike and alleging solidarity with it, took to the streets, not peacefully, but by closing roads, throwing rocks, burning private and official vehicles, and throwing bombs.

Political groups like the Christian Democratic Party and political student groups like FER-29, Guaycucho-Nir, and factions of the Revolutionary Party of the Workers [PRT], Workers Socialist Party [PST], and splinter groups of the People's Party talk about an "established struggle." This struggle, as described by one of the highest FER-29 founders, will result in fratricidal fighting among Panamanian brothers with the consequent sequel of blood and grief that will openly contravene the program of national dialogue so greatly desired by the Panamanian people in their incessant quest for social well-being, peace, and tranquillity.

The democratic climate that prevails on our isthmus has permitted these groups -- on some occasions with their own movements and on others shielded by the struggles for vindication of popular sectors -- to take to the streets creating chaos and anarchy in response to a political-militant strategy of participation called "Unity of Action."

By infiltrating some of the "solidarity" meetings, we managed to discover that using the slogan "Unity of Action" a series of subversive activities have been planned to destabilize the country and to place the people in confrontation with institutions like the National Defense Forces of the Republic of Panama.

Business is one of the sectors most affected by street violence, which is created by extremist groups opposing the ruling government of Dr Nicolas Ardito Barletta. Since the objective is to destabilize and create chaos in Panama, it should not surprise us to observe new outbreaks of violence in the next few days with the usual traffic jams and damages to private and public property.

LA REPUBLICA SAYS PDC BEHIND VIOLENCE IN COLON

PA211850 Panama City LA REPUBLICA in Spanish 17 Jul 85 pp 1, 6

[Text] Media reports on preparations for a number of seditious activities today were confirmed by a wave of disturbances in the city of Colon. According to reports from the second most important city of Panama, Revolutionary Student Front [FER-29] groups supported by the Christian Democratic Party [PDC] and the so-called "Action" group of the Peoples Action Party [PAPO] began setting fire to state vehicles and throwing rocks, sticks, and other objects at public buildings.

This new outbreak of violence, which began last week during a strike declared by the National Council of Organized Workers [Conato], is being financed with money sent from Caracas to the local PDC. The money arrived in our country through a high-echelon representative of the Christian Democrats in Panama, Professor Ricardo Arias Calderon.

All of this has been reported to the people, who already know who is trying to sow unrest, and sacking and conducting other activities to disturb public order.

It is worth pointing out that to carry out today's activitites in the city of Colon, the seditious elements of the PDC packed two buses with people from the capital highly trained to carry out these kinds of disturbances.

The next step will be to use every type of activity to infiltrate various labor, education, student, religious, and political movements and create unrest and terror among the people.

What happened in Colon today is only the beginning. Other actions are expected. We will witness the participation of people like Miguel Antonio Bernal, Mauro Zuniga, Carlos Ivan Zuniga, Arlias Calderon, Nestor Mendez Villareal, Garciela Dixon, Carlos Cambra, Enrique Rivera, Julio Murillo, Rafael Carvajal, Roberto Broce, Roberto Arnoldo Arosemena, Oriel Avila, Carlos Jones, Alejandro Perez, Andres Chong, Carlos Zavala, Hervaristo Vasquez Sanchez, Claudio Thompson, and others.

COSTA RICA

MONGE REGRETS LACK OF FREEDOM IN NICARAGUA

PA200211 San Jose Radio Impacto in Spanish 1830 GMT 19 Jul 85

[Text] President Luis Alberto Monge Alvarez expressed regrets today, 19 July, that 6 years after the Sandinist victory Nicaragua has not attained peace. President Monge said the following in regard to this anniversary:

[Begin recording] [Monge] In Costa Rica all of the people showed great solidarity with the Nicaraguan people in their struggle to attain freedom and democratic constitutionality. We regret the fact that the Nicaraguan people have not been able to achieve these objectives for which they shed so much blood and fought for so many years. Because of our fondness and love for the Nicaraguan people, we hope they will be able to find the peace and freedom to which they are so entitled.

[Reporter] What about relations between the two countries?

[Monge] We have made great efforts to keep these relations normal and respectful, but the Nicaraguan Government has not responded to us in kind. [end recording]

GUTIERREZ ON OAS 'REPUDIATION' OF NICARAGUA

PA162158 Paris AFP in Spanish 1736 GMT 14 Jul 85

[Text] San Jose, 14 Jul (AFP) -- Costa Rican Foreign Minister Carlos Gutierrez has stated that "because of their hostile feelings toward the United States" the "new democracies" of the continent opposed condemning Nicaragua for the 31 May border incident with Costa Rica in which two Costa Ricans were killed. Last night at a press conference upon his return from Washington, Gutierrez said that in the OAS Permanent Council, Brazil and Mexico did not want to label the incident for which Costa Rica sought a condemnation based on an OAS report, which says that the attack originated from Nicaraguan soil.

At the OAS debate, which took place last Thursday, Costa Rica had the attack "repudiated," but without obtaining a condemnation of the Managua government, and without establishing who was responsible. According to Gutierrez, faced by the possibility of Costa Rica's invoking the Inter-American Reciprocal Assistance Treaty if the OAS did not label the incident, the countries reached a consensus on the "repudiation."

Colombia, Venezuela, and Panama prompted that decision, and the resolution of repudiation was "the most we could get from the OAS," the foreign minister stated. "No one can perform miracles" and "in the atmosphere and with the criteria" that currently prevail in Latin America, at least we managed to get the OAS to appoint a fact-finding commission to file a report, and to get that report approved by the Permanent Council, Gutierrez added.

"The countries that were unwilling to condemn Nicaragua are the new Latin American democracies, where there is a feeling of hostility toward the United States, since they consider the U.S. Administration to be friendly to the rightist dictatorships that dominated these republics for many years. There is no doubt that those countries did not want Nicaragua condemned, and it became quite clear that in the OAS we could not obtain the necessary two-thirds vote," he concluded.

SANDINISTS REPORTEDLY ATTACK HOUSE, KILL YOUTH

PA191950 San Jose Radio Impacto in Spanish 1832 GMT 19 Jul 85

[Excerpt] A patrol of the Sandinist People's Army reportedly entered Costa Rica territory at (?0530) this morning, killing a Costa Rican national whose surname is Osegueda. The patrol apparently arrived at the Monte Plata farm, 4 km from the Nicaraguan border. The farm belongs to Ramiro Osegueda, vice president of the La Cruz Cattle Ranchers Association. The four Sandinist troops machine-gunned the Osegueda home, killing the youth Edgardo Osegueda, 22.

Costa Rican Public Security Minister Benjamin Piza Carranza stated that a Civil Guard unit patrolled the area in question yesterday and that the Osegueda family had invited them to lunch. He said that the Civil Guard cannot establish permanent positions in each farm, but that units patrol along the border every day, particularly at the most conflictive areas.

It has not been confirmed if the raiders are members of the Sandinist Army. It was simply reported that the four were civilians, Piza Carranza explained. He added that the only information on the development was furnished by Ramiro Osegueda, the youth's father, who went to the La Cruz police station to report what happened, Piza Carranza added.

Radio Impacto obtained unofficial reports indicating that several civil guardsmen arrived at the site of the incident and removed the victim's body. This afternoon Civil Guard Director Colonel Oscar Vidal will provide further information on the development.

GERARDO TREJOS APPOINTED DEPUTY FOREIGN MINISTER

PA212128 Paris AFP in Spanish 0637 GMT 20 Jul 85

[Text] San Jose, 19 Jul (AFP) -- Gerardo Trejos, an attorney, was appointed deputy foreign minister today to replace Jorge Urbina who has resigned to participate in the election campaign of the governing National Liberation Party. The new deputy foreign minister obtained his masters degree at the University of Strasbourg, France. He also studied at Madrid's Complutense University, at the Legal Research Institute of the Autonomous University of Mexico, and at the International Law Academy at the Hague. He has also worked as a congressional adviser and helped to prepare important legislative reform bills. He has written several books and articles on legal matters. In 1976, he created the first Central American legal editorial firm.

OFFICIAL DENIES AEROFLOT MEETING ON LOCAL ROUTE

PA192313 San Jose LA NACION in Spanish 10 Jul 85 p 8 A

[Text] Manuel Emilio Garcia Delgado, chief of the National Civil Aviation Directorate, has categorically denied that he met with representatives of Aeroflot, the Soviet airline, to discuss Aeroflot flights to Costa Rica. When questioned by LA NACION, the official said that the Soviet airline has not even requested permission to fly the Moscow-San Jose route.

"The information that appeared in a local morning newspaper reporting that officials from that department of the Public Works and Transport Ministry had met with Aeroflot representatives is completely false. Such meetings have never been held," said Garcia Delgado.

He said that the Russian firm has the right to apply for permission to fly to our country. "Such a request would be studied by the aeronautics authority," he commented. In Latin America, the company services Nicaragua, Cuba, Mexico, and Argentina.

In other news, Horacio Herrera, the chief of operations control of Costa Rican Airlines (LACSA), reported that that local firm is spending more on fuel because it is not allowed to fly over Nicaragua. "That country has certain areas over which airplanes are not to fly. In certain cases, overflights are allowed, but generally most areas are prohibited and it is impossible to fly over that territory," he added. He stressed that on several occasions, when Nicaragua has closed its airspace, LACSA planes had to detour 60 miles (90 km). He also said that his company is not interested in traveling to that northern country because "it is not a profitable route."

In contrast, Aeronica [Nicaraguan airlines] maintains a permanent flying schedule to our country without any restrictions. Civil aviation spokesman said that when LACSA decides to link its services to Nicaragua, the same restrictive measures that the Sandinist government has placed over its territory could then be applied. Finally, it was learned that Aeronica's permit might be cancelled, because our airline does not service Nicaragua.

EL SALVADOR

VICE PRESIDENT ON BORDER PROBLEMS, NICARAGUA

PA192344 San Salvador Radio Cadena YSU in Spanish 1800 GMT 18 Jul 85

[Text] Vice President Rodolfo Antonio Castillo Claramount officially announced today that the Salvadoran Government will appoint a special ambassador to the International Court of Justice at the Hague. This means that the border problem with Honduras could go to the International Court of Justice, despite the efforts that the government of President Jose Napoleon Duarte is making to prevent having to submit the problem to the International Court of Justice. Vice President Castillo Claramount said that jurist Jimenez Arrechedaya, a former member of the International Court of Justice, will be our country's special ambassador to the International Court. Vice President Castillo Claramount was interviewed at noon today by local and foreign newsmen in the Blue Room of the Legislative Assembly. Discussing the cost of having an embassy at the International Court of Justice at the Hague, Vice President Castillo Claramount said that presently this is not possible because the cost of an embassy there is too high. Let us listen to what the vice president had to say:

[Begin recording] [Castillo Claramount] Because of the cost and the time it will take, it could be a lengthy case; it would be preferable to reach an agreement. We are working with this idea in mind, but we must still be prepared in case it does not work out that way.

[Reporter] According to reports, President Duarte will meet tomorrow with Mejia Victores, Guatemalan head of state, somewhere along the Honduran border...

[Castillo Claramount, interrupting] Excuse me, not along the Honduran border.

[Reporter] I am sorry; I mean along the border with Guatemala.

[Castillo Claramount] Yes, he is going to meet General Mejia Victores sometime this week, to discuss ways to improve our relations. President Duarte is interested in improving our relations with neighboring countries through personal contacts with heads of state.

[Reporter] Can you tell us something about the Salvadoran Foreign Ministry's complaint regarding Honduras troops violating our territory? According to Honduran Foreign Secretary Paz Barnica, our troops were the ones violating Honduran territory. How can this be?

[Castillo Claramount] When you have border demarcation problems, these kinds of accusations are frequent from both sides. This is precisely one of the reasons why we would like to solve the border demarcation problem as soon as possible. We want to prevent these frictions that are not contributing to the peaceful coexistence that should exist between sister countries. The protest note sent by our Foreign Ministry was correct and respectful in every aspect. I would rather not discuss the incident. I reiterate that we acted in a very responsible way in this delicate matter.

[Reporter] Is there any possibility that we could sever relations with Nicaragua as a result of the harsh note we sent to the Nicaraguan Government over Daniel Ortega's statements?

[Castillo Claramount] I cannot understand all of the fuss or surprise, or whatever you want to call it, regarding our protest note to the Nicaraguan Foreign Ministry. Yet, I have not seen anyone commenting about the coarse, insulting, and irresponsible statements made by President Daniel Ortega. I think that our reaction was in line with the statements made by President Ortega. Personally, I really do not think that the Foreign Ministry's protest note was particularly harsh. Its aim was to reject the statements that we considered insulting not only to the president of the Republic and to our government, but also to the Salvadoran people in general. That is how we should take such statements. I hope this does not occur again. I would like to see the Nicaraguan Government apologize and reconsider its attitude because as it stands, we can only think of this as an adventuristic, dangerous policy that we cannot tolerate and will not condone.

Our attitude has been to maintain a responsible, respectful conduct in order to prevent frictions. We are not accustomed to irresponsible statements. We do not go around insulting people and causing problems. President Duarte has been very careful in this respect. I have acted in the same manner. In this particular case, we were forced to react to statements we definitely cannot accept.

[Reporter] Mr Vice President, the university students have asked the government of President Duarte to do something about the death squads. The students issued a communique in which they stated that the government knows who the members of the death squad are, and who threatened to kill 11 university students -- the deadline to carry out their threat expires precisely on Saturday, 20 July. What do you have to say about this?

[Castillo Claramount] Look, first let me tell you that to make such a categorical statement that the government of President Duarte knows who the members of the death squad that threatened to kill the university students are is an irresponsible statement incriminating the government of President Durate in acts for which it has no responsibility. I categorically reject such an accusation because it is not true. The authorities are making the necessary efforts to try to control these groups' activities. This has been part of the government's recent efforts. The people know that this is a fact. Personally, I think that this death squad is acting exactly like the guerrillas who are holding the mayors hostage to make demands to the government. We are facing terrorist activities that we cannot accept and that we definitely reject.

The university students or those representing them are saying that the government knows who the members of the death squads are.

Let me tell you this: If the government knew who they were, you can bet that it would take immediate action against them. Let no one doubt this. Ours is a government that is trying to uphold the law. We are not going to cover up for anyone. There is enough evidence to prove that the government is doing its best, according to the law, to bring to justice all those engaged in criminal activities.

[Reporter] What is the situation regarding the mayors who have been kidnapped?

[Castillo Claramount] At this moment I do not know. I can only say that we cannot accept such actions, which are definitely acts of terrorism. Our country will not progress if such actions continue. [end recording]

KIDNAPPED MAYORS FORCED TO SIGN DOCUMENTS

PA202356 San Salvador LA PRENSA GRAFICA in Spanish 18 Jul 85 p 15

[Text] Today FMLN-FDR terrorist groups will present a series of demands to the relatives of the mayors and other private citizens they have kidnapped in exchange for their release, according to an official report issued last night. The FMLN-FDR terrorists have forced the mayors and private citizens they have in their power to sign documents. They have also forced them to urge their relatives to turn the documents over to authorities.

Government authorities describe this attitude as clear evidence of the violation of human rights by the FMLN-FDR terrorist groups, according to a statement issued last night by the Press Secretariat of the Presidency. The contents of the notes the kidnapped mayors were forced to sign express the FMLN-FDR terrorists contempt for fundamental human rights, the Press Secretariat statement points out.

This action, the statement indicates, confirms the FMLN-FDR's contempt for the most basic rights of a people who have expressed their will by casting their votes to elect their leaders. Last night President Jose Napoleon Duarte asked international organizations devoted to the fulfillment of human rights to issue statements against the FMLN-FDR violations, as they have forced kidnapped persons to sign documents they would never have signed if they were not threatened with death.

COPREFA ON MATERIAL SEIZED AT LA CAMPANA HILL

PA210045 San Salvador LA PRENSA GRAFICA in Spanish 18 Jul 85 pp 2, 19

[Text] Three 90-mm cannons are among the abundant military equipment seized yesterday by the Jiboa Battalion from the subversive forces in Cerro La Campana, the Armed Forces Press Committee reported.

According to reports released by Coprefa, after overcoming a series of hazards the counterinsurgent Jiboa Battalion of the 5th Infantry Brigade, headquartered in San Vicente, managed to climb La Campana Hill, which is located in Tecoluca municipality, to a place considered an important FMLN bastion that was fiercely defended by the terrorists until they were forced to give up and flee in view of the advance of the government's troops, who occupied the camp, considered the subversive's main supply warehouse for the whole area.

In addition to 3 cannons, the arms seized by the Armed Forces also include 12 M-79 grenade launchers, 2 M-60 machine guns, 3 M-16 rifles, 1 AR-15 rifle, an undetermined amount of RPG-2 rocket fuel, explosives, two 100-Lb bags with aluminum; 1 night sight for a high caliber rifle, ammunition for a 60-mm mortar, and documents which are being analyzed by military intelligence to establish their importance.

Finally, Coprefa stated that the detailed report of the material seized by our Armed Forces is proof of the professionalism and dedication of our Armed Forces to guarantee the general safety of citizens.

ARMY STEPS UP COUNTERINSURGENCY OPERATIONS

PA192325 San Salvador DIARIO LATINO in Spanish 17 Jul 85 p 3

[Text] Beginning today special battalions trained in counterinsurgency operations increased patrol duties throughout the country, to try to neutralize the FMLN guerrilla groups activities, which insist on inflicting more damage on the Salvadoran people by destroying powerline posts and the installations of the National Administration for Telecommunications, ANTEL, in general.

According to military sources, the Armed Forces battalions assigned to different parts of the country are prepared and ready to go into action to stop the actions of the rebels against the most important public services such as electricity, communications, the water system, and bridges. This morning reports say that vigilance at the Cerron Grande Dam and San Lorenzo Dam, the two largest dams in the country, has been increased in case of a guerrilla attack aimed at leaving large sectors of the country without electricity.

Another reports says that as a result of sabotage acts by FMLN guerrillas, many towns in the eastern part of the country are without electricity and communications. Water systems have also been tampered with by the guerrillas. Last night, the guerrillas attacked the civil defense posts in Concepcion, Quezaltepeque, Chalatenango, and Apopa. No report on casualties was available.

RADIO VENCEREMOS ON SANDINIST ANNIVERSARY

PA201636 (Clandestine) Radio Venceremos in Spanish to El Salvador 0000 GMT 19 Jul 85

[Communique issued by FMLN General Command in El Salvador dated 18 July]

[Text] Companeros of the FMLN General Directorate:

Six years ago the Nicaraguan people succeeded in breaking the chains of oppression and began the hard and difficult task of building a new society. These 6 years of revolution have been an example of determination and tenacity on the part of the Nicaraguan people and their vanguard, the FSLN, which has managed to make progress despite imperialist aggression and great adversity.

Heightening the Nicaraguan people's revolutionary conscience; leading the entire people to rally around their vanguard, the FSLN; and making them mobilize and devote themselves to the task of defending the revolution have been without doubt some of the greatest advances during these years of revolution. These three factors, fruit of the vanguard's work, have turned the Sandinist people's revolution into an irreversible historical event and the Nicaraguan people into an invincible people capable of crushing any imperialist aggression.

Despite all efforts to achieve peace, the imperialist aggressors seem bent on risking their historical future by attacking the peoples of Nicaragua and El Salvador. However, the Nicaraguan people and their revolution have not stopped and the Salvadoran revolutionary forces are marching toward more decisive moments in their struggle, forcing imperialism to reach higher levels of political and military involvement in our fatherland.

Imperialism has tried to make the Nicaraguan and Salvadoran peoples surrender through balckmail and hysterical threats. These threats have not only failed to frighten our people but have made them redouble their efforts to confront and defeat aggression.

When they began their struggle, the FSLN and the FMLN knew that carrying out a revolution meant defeating imperialism. Although we love peace, we love th e principles that link us to our peoples' historical destiny of freedom and justice even more. We will never renounce them.

According to all indications, the Reagan administration is blindly heading toward aggression with its troops. However, the number of forces accumulated by the Sandinist people's revolution and the Salvadoran revolutionary forces leaves only two options for imperialism: accept a peaceful solution permitting our peoples to enjoy self-determination or engage in a war of aggression with no chance of defeating us and gamble with its historical future.

Atomic power, high military technology, and the "star wars" strategy do not count in a war against our forces and peoples. Vietnam was the most important historical lesson to imperialism and to revolutionaries throughout the world.

Our peoples seem destined to ratify and lend continuity to that lesson, which taught that people with revolutionary spirit, determination, and unity are invincible.

To Yankee imperialism, a war in Central America will mean the involvement of hundreds of thousands of troops, who will not be able to cope with the enormous moral, political, and human costs that our forces will impose on them during a popular war. This will prompt the U.S. people's progressive forces to act to finally defeat their imperial government's unjust aggression. It will be up to the imperialists to decide whether they will run the risk of another humiliation by entering a war in which they have nothing to gain and much to lose.

The defeat they will sustain this time will have greater historical repercussions. This war will not be waged thousands of kilometers from their borders. This time it will be waged in Latin America, the continent hardest hit by imperialism's economic, political, and military domination. The war will mark the beginning of the end of an empire.

Times of great sacrifice, arduous struggle, and infinite heroism lie ahead of our people, their vanguards, and leaders in the assurance they will achieve a victory with major historical implications. This strengthens our determination to struggle.

We greet the FSLN National Directorate, the Nicaraguan people, and their vanguard, the FSLN, on the occasion of the sixth anniversary of the triumph of the Sandinist people's revolution. We greet the fighters of the Sandinist People's Army and the Sandinist People's Militias who heroically fight to defend the revolution, forging the history of the new Nicaragua. The rifles carried today by all the Nicaraguan people are the historical axes of the future of the Sandinist people's revolution. They assure peace and freedom for Sandinist's people.

Long live the sixth anniversary of the Sandinist people's revolution! Farabundo and Sandino: One blood, one destiny! Long live the Nicaraguan and Salvadoran peoples! Long live the FSLN! Revolution or death, we will win!

GUATEMALA

MEJIA, SALVADORAN PRESIDENT BEGIN BORDER MEETING

PA191749 Paris AFP in Spanish 1701 GMT 19 Jul 85

[Text] Valle Nuevo, Guatemala, 19 Jul (AFP) -- Salvadoran President Jose Napoleon Duarte and Guatemalan Head of State Oscar Mejia arrived today at this border region where they will meet for several hours to discuss bilateral problems. Mejia and Duarte greeted one another at El Jobo Bridge on the Paz River and then went to Valle Nuevo customs post, 300 meters from the bridge in Guatemalan territory.

During the meeting, which began at 1010, the presidents will also discuss the economic and political situation of Central America, it was learned from official sources of both delegations.

General Mejia arrived first at the site and was approached by newsmen, who asked him for his opinion on the topic of Nicaragua, to which he responded in an ironic manner that "the position of Guatemala is here, Nicaragua's is over there." Asked about an imminent [una eventual] invasion of Nicaragua by the United States, he said that he is "very respectful of the self-determination of the peoples and the principle of nonintervention."

It is hoped that the two presidents will issue a joint statement this afternoon, after the meeting.

Mejia Victores Interview

PA211725 San Salvador Radio Cadena YSU in Spanish 1650 GMT 19 Jul 85

[Report by correspondent Raul Beltran on an interview with Head of State General Oscar Humberto Mejia Victores, Las Chinamas border post by unidentified reporters on 19 July]

[Text] Good morning, Radio Cadena YSU listeners; good morning, Central American radio stations. From the Las Chinamas border post this is Radio Cadena YSU. We hereby authorize the news media to reproduce the information we are about to broadcast in part or in its entirety.

At 0950, General Oscar Humberto Mejia Victores, Guatemalan head of state, arrived at the Guatemalan border post where he would meet with Salvadoran President Jose Napoleon Duarte, who arrived 20 minutes later at the meeting place that is exactly in the center of the bridge dividing the Republics of Guatemala and El Salvador.

The Guatemalan Army band greeted the two heads of state. The two leaders are now holding a special meeting in the offices of the Guatemalan border post. At noon the two heads of state will have lunch in Salvadoran territory.

Radio Cadena YSU listeners and Central American stations, the following are the statements made by the Guatemalan head of state. We asked him about the objective of the meeting he will hold shortly with Salvadoran Government officials headed by President Jose Napoleon Duarte and Salvadoran Vice President Rodolfo Antonio Castillo Claramount.

Mr President of Guatemala, you are being heard in El Salvador through Radio Cadena YSU.

[Begin recording] [Mejia] When brothers live close to each other, it is good to get together once in a while and talk about the families.

[Question] Then, the main objective is to discuss each other's problems?

[Mejia] Exactly.

[Question] General, [words indistinct] Guatemala's stance regarding Nicaragua?

[Mejia] Guatemala is here; Nicaragua is over there.

[Question] The relations between the two countries?

[Mejia] We maintain cordial relations with them; we have diplomatic, consular, and trade relations with Nicaragua. We have no problems with any country.

[Question] Guatemala has adopted a postion of observer within the Contadora Group rather than taking an active role as Costa Rica, Honduras, and El Salvador have done. Why?

[Mejia] I imagine it is because of the fact that whenever there is a large group it is very difficult to reach agreements and solutions. I think that has to be done. We must begin to make agreements. We must analyze the various problems and what they represent, until they can be solved.

[Question] Mr President, would the Guatemalan Army agree with a U.S. invasion of Nicaragua?

[Mejia] This is an area in which we have never wanted to participate or say what our intentions would be, because we respect the self-determination of the peoples.

[Question indistinct]

[Mejia] I am sorry, I did not understand your question.

[Question] The Guatemalan Government has always stayed on the sidelines, it has been neutral. It has never made critical statements regarding Nicaragua. However, a few weeks ago the government did make a certain statement that it did not like the attitude Nicaragua had adopted in the past few years.

[Mejia] The government has made no statement of that nature regarding any country. We respect all countries. They can take any path they want if they consider it good for their people and their government.

[Question] Is Nicaragua in any way helping the Guatemalan guerrillas?

[Mejia] Not currently.

[Question] How is the process of democratization advancing in Guatemala?

[Mejia] It is walking down a broad path. It is reaching its goal. The goal is only 6 months away.

[Question] General, Guatemala cannot forget Central America. How does your government view the fact that more and more confrontations develop between those countries and Nicaragua? There are U.S. military maneuvers being held in Honduras; and militarism is increasing.

[Mejia] This is precisely the reason why we are here: To talk. This is why we propitiate dialogue. I feel that by talking we can reach understandings and prevent conflicts.

[Question] Should President Duarte invite you to join a sort of a bloc of nations as has been happening.

[Mejia, interrupting] How can I answer something that President Duarte has not even presented to me?

[Question] What will you and President Duarte talk about today?

[Mejia] We have an agenda that we will release in due time.

[Question] General, Costa Rica has pronounced itself against some statements made by you to a foreign correspondent in our country in that one can coexist with a communist country, in this case Nicaragua.

[Majia] That is precisely what we are trying to do: reach an agreement as to whether we can or cannot live in peace. We are living in a time when we speak of human rights, yet we want to resolve a problem with a war. Which way are we heading?

[Question] Mr President, regarding Guatemala, what kind of obstacle does the Sandinist regime represent to the political, democratic, and institutional life in Guatemala?

[Mejia] They represent no obstacle for us in Guatemala. I think that the same is the case of El Salvador. El Salvador should be interested in the Salvadoran problems and in resolving the Salvadoran problems as Salvadorans. Why should problems [words indistinct] interest us?

[Question] Can you give us a brief analysis of the economic crisis experienced in Guatemala in the past few days?

[Mejia] It is a normal problem; one we all have, not only Guatemala. I think we will resolve it. We have achieved something that no other country has ever achieved; we united the various tendencies of political and social life. We call these life forces; we talked with unions, cooperatives, private sector, universities, and government and reached an understanding. I feel that together we can resolve that problem. If what this small country did could be done at the overall level of Central America, I think that we would have a promising future.

[Question] When do you plan to decide on the other suggestions made during the national dialogue, such as the possibility on increasing the price of fuel and the sale of state enterprises?

[Majia] That will all be announced in due time. I feel that when a large joint package is presented it affects many sectors. I think it should be fed little by little. If you were to give your patient full doses of his medicine you would kill him, but if you do it in small doses, then it will be good for him.

[Question] General, what about the renegotiaition of the debt?

[Mejia] Those debt negotiations are problems to be discussed at a technical level, by the people who are involved in this matter.

[Question] Will you be selling Guatemala's gold to pay the oil debt?

[Mejia] If you are in need and you have a valuable piece of jewelry, would you sell it in order to eat, or would you keep the jewelry and die of hunger?

[Qustion] That depends.

[Mejia] Baloney! If you had to, you would sell.

[Question] What is your opinion regarding the position of some Latin American countries to form a block of debtor countries against the IMF and the World Bank?

[Mejia] I do not agree with that position. From the very beginning we said that Guatemala pledged to fulfill all its commitments. Therefore, we do not share the idea of a debtor's club.

[Question] At this meeting with the Salvadoran president, do you think Nicaragua could be ousted from the Contadora Group?

[Mejia] Guatemala and El Salvador did not organize the Contadora Group. It is an organization formed by four countries. These countries have attempted to resolve a different problem in the region. We are not the ones who will decide who will be ousted from the Contadora Group.

[Question] How do you foresee the future of Central America, should Nicaragua continue down its Marxist-Leninist path?

[Mejia] I see no problems. We can make it just fine if we understand each other. As long as we continue [word indistinct] and each country wants to do as it believes, without sacrificing...[sentence unfinished] In every negotiation and dialogue someone has to give up something to reach an understanding.

[Question] Do you think that Nicaragua will make some major change in its Marxist stance and engage in talks?

[Mejia] It may come to that. It may come to that!

[Question] What makes you think so?

[Mejia] I base my belief on something that is very real, which has existed for many years -- Germany. It is even divided by a wall. It has a communist side and a democratic side, so to speak, because communist Germany calls itself democratic. Both sides coexist; Germans travel from one side to the other; but they don't remain at war.

[Question] Mr President, can you tell us a bit about human rights in Guatemala...

[Question, interrupting]... Uncomfortable, like the one existing currently in Germany in Central America? Do you think there will be a wall in Central America like in Germany?

[Mejia] I don't think that is possible. Who would spend money to build a wall when we have more important needs to meet in order to subsist?

[Question] However, do you think that Nicaragua is really interested in a dialogue to establish peace?

[Mejia] I think so.

[Question] Mr President, a few days ago some Guatemalan political groups opposed to your government talked about violations of human rights. Can you tell us about this?

[Mejia] Of course. When something happens in the small countries of Central America -- Guatemala or El Salvador, for instance, to cite these two cases because we are here -- the news grows to huge proportions. However, notice that bigger events take place in the world. A short while ago a TWA plane was hijacked and there were serious problems. A bomb was placed on an Air India plane. Bombings occurred in an airport in Germany and an airport in Japan. There were bombings in [word indistinct] and attacks occur daily in Spain. However, in those cases the news [words indistinct]. They have this right. They are large countries.

When something happens in our midst, the news grows like Alka Seltzer. Then it subsides, and nobody thinks about it. We had some slight problems in Guatemala about 8 days ago, and I have not seen a single report in the newspapers, because unfortunately our people pay more attention to crime news. Journalists can't sell their newspapers unless there is some report on somebody who has died [word indistinct]. However, when there is some favorable news to report, it is not mentioned.

[Question] Therefore, Mr President, what is your view of this problem of the press?

[Mejia] Newspapers have to be sold. Journalists have to live. So, they have to publish sensational news in order to sell their product; otherwise [words indistinct]. However, some media, fortunately not all, give good advice and place emphasis on the good things done by the government. However, most don't.

[Question] Could Central America become a battleground of the two world powers?

[Mejia] I don't think so. The circumstances here are not like those in other countries in [words indistinct].

HONDURAS

FOREIGN SECRETARY ON U.S. PRESENCE, MANEUVERS

PA200123 Tegucigalpa Televisora Hondurena in Spanish 0130 GMT 19 Jul 85

[Interview with Foreign Secretary Edgardo Paz Barnica by correspondent Regina Osorio; date, place not given -- recorded]

[Text] [Regina Osorio] [Words indistinct] there is a report from the State Department in Washington and the Pentagon according to which U.S. troops will remain here in Honduras for another 4 or 5 years. What do you have to say about that?

[Paz Barnica] I don't have any information regarding that. However, there are economic and security agreements with the United States that could provide for a stay, although not that lengthy, in our country. Besides, the U.S. military presence in Honduras is limited, except when there are joint military maneuvers held by the United States and Honduras in Honduran territory. However, this always takes place under the control, jurisdiction, and sovereignty of Honduras.

This question is always asked, but the Contadora Document itself originally considered holding joint national and international maneuvers.

If you look at today's papers you will learn that the Soviet Union is holding large maneuvers on the Atlantic. The Soviet Union has carried out military maneuvers in the Caribbean. Costa Rica, Panama, and countries such as Peru and Venezuela have carried out military maneuvers jointly with the United States. The Eastern European countries constantly hold maneuvers. NATO and the Warsaw Pact countries also have joint military maneuvers. Why maneuvers in Honduras? To give technical training to our Armed Forces.

[Osorio] I understand that General Walter Lopez has already given the Honduran authorities a report on missing persons. Every day there are problems with missing persons.

[Paz Barnica] [Words indistinct] last year, and it was said that we would continue [word indistinct] for 3 more months. I trust that I will receive this document soon so I may examine it.

[Osorio] Gen Lopez Reyes said that this report is somewhat sensitive. What do you think?

[Paz Barnica] I must see it first. I firmly believe, and not for reasons of convenience, that defense and promotion of human rights are the pillar for a true democracy in the country, a democracy based on the people's sovereignty. I say this because this is my conviction and because this is my belief and vocation. Besides, I have personally suffered the violation of human rights. I believe that we have not had a systematic policy of the violation of human rights in Honduras. On the contrary, there has been a policy of respect for human rights. If there have been any excesses, we are investigating them. The responsible parties must be drastically punished.

PAZ BARNICA ON SALVADORAN CHARGE OF AIDING GUERRILLAS

PA191428 Tegucigalpa Cadena Audio Video in Spanish 1217 GMT 19 Jul 85

[Text] Honduras and El Salvador exchanged views yesterday when El Salvador accused the Honduran Army of collaborating with Salvadoran guerrillas. Honduras responded that El Salvador is constantly violating Honduran national sovereignty.

The Salvadoran Government sent a protest note yesterday to the Honduran Foreign Ministry, charging the Honduran Armed Forces with collaborating with the Salvadoran guerrillas. The Salvadoran note which was described by [Honduran Foreign Secretary] Paz Barnica as insolent, states that the Honduran Government and Armed Forces are helping the Salvadoran guerrillas violate Salvadoran territorial integrity and trample, they say, the civilian Salvadoran population.

Paz Barnica said: We immediately and strongly reject this protest note, because this is insolence on the part of the neighboring country's government. On the contrary, the Salvadoran Army is the one that has entered the zone of controversy [zona de controversia] in addition to our national territory, the foreign minister said, adding that both countries could be faced with a conflictive situation if the border conflict is not solved through peaceful means and if the Salvadoran Government insists on making serious charges against the Honduran authorities.

Concerning these charges, the Honduran foreign secretary added that he finds it very strange that the protest note is dated 28 June, yet is was presented on 16 July. The Salvadoran minister is correct in pointing out that a deadline to establish the border demarcation is about to expire, but we have seen no positive attitude on the part of the Salvadoran Government to achieve just and satisfactory solutions for both countries, Paz Barnica said.

Despite the political goodwill expressed by President Duarte, we do not see a positive attitude on the part of El Salvador. For our part, we have been working on this subject daily, and we have never forgotten the vital interests of Honduras, Paz Barnica added. Paz Barnica said they had urged the Salvadoran Government to realize its responsibility in solving the conflict through peaceful means and that Honduran President Roberto Suazo Cordova and the Honduran Armed Forces chief had pointed this out to President Duarte.

Rejects Protest Note

PA201439 Tegucigalpa LA TRIBUNA in Spanish 19 Jul 85 p 63

["Letter No 291-DA" from Foreign Secretary Edgardo Paz Barnica to Salvadoran Foreign Minister Rodolfo Castillo Claramount; date 16 July in Tegucigalpa]

[Text] Mr Minister:

I address Your Excellency to acknowledge receipt on 16 July of your note No 6537 of 28 June, in which, on your government's behalf, you protest that "on 8 April Honduran military troops and authorities trespassed Salvadoran territory in the area of Nahuaterique, Arambala jurisdiction, Morazan Department, in the Republic of El Salvador."

Notwithstanding the delay between the alleged trespass and the arrival of Your Excellency's note, I am in the capacity to report that competent Honduran military authorities informed me that the charges are completely unfounded in view of the fact that the Honduran Armed Forces follow strict instructions to keep within the provisions of the General Peace Treaty, particularly those pertaining to the territories in dispute, over which neither state can yet claim jurisdiction. Your Excellency is surely aware that it is my government that has recently often found it necessary to protest over violations to Honduran territory and, as a result, to the General Peace Treaty, committed by Salvadoran military troops.

In view of the above, the Honduran Government firmly rejects the protest in question, while expressing its hope that the nondemarcation of the borderline will soon cease to be a constant hindrance to the cordial relations between our two countries. I take this opportunity to reiterate to Your Excellency the token of my highest and most respectful considerations.

[Signed] Edgardo Paz Barnica, secretary of state for foreign affairs

Further Note

PA201504 Tegucigalpa LA TRIBUNA in Spanish 19 Jul 85 p 63

["Letter No 301-DA" from Foreign Secretary Edgardo Paz Barnica to Rodolfo Castillo Claramount, Salvadoran vice president and foreign relations minister; dated 18 July in Tegucigalpa]

[Text] Mr Minister:

On 16 July, I had the honor of addressing Your Excellency to reject your letter of protest dated 28 June prompted by an alleged incursion by Honduran soldiers into Salvadoran territory. Mr Minister, your note contains a paragraph so unjustifiably offensive that it merits special consideration. I am referring to the paragraph that reads as follows: "The Honduran Government's attitude helps the guerrillas that are trying to destabilize my government."

The quoted statement contains a charge that my government deems serious, because it is made by the Foreign Ministry of a country we consider a friend and with which we share the same ideals of justice, liberty, and democracy. As I categorically reject such a reckless charge, I cannot hide from Your Excellency the fact that it has created an uproar in my country. I hope that this was a remark made in haste without weighing its consequences and that as such, it should never have been written.

I take advantage of this opportunity to reiterate to Your Excellency my deepest feelings of consideration.

[Signed] Edgardo Paz Barnica, secretary of foreign relations

FOREIGN SECRETARY PAZ BARNICA VISITS GUATEMALA

PA210029 Tegucigalpa Cadena Audio Video in Spanish 1145 GMT 19 Jul 85

[Text] Foreign Secretary Edgardo Paz Barnica left yesterday on a quick visit to Guatemala, confirming statements issued at the presidency that traveling is part of a dynamic foreign policy that involves direct communication with leaders abroad. The foreign secretary went to Guatemala to decorate former Guatemalan President Juan Jose Arevalo with the Rafael Heliodoro Valle Order. He will return to Honduras tomorrow. It is believed that next week he will leave for Israel and Australia.

GOVERNMENT TO ESTABLISH EMBASSY IN JERUSALEM

PA171754 Panama City ACAN in Spanish 1510 GMT 16 Jul 85

[Text] Tegucigalpa, 16 Jul (ACAN) -- The Honduran Government has set up an embassy in Jerusalem, as part of plans for expansion of its diplomatic missions in the world. According to a report published today by the Honduran Government, it will also establish a diplomatic mission in Egypt. The official report adds that Honduras recently opened embassies in the Netherlands and Taiwan "for the purpose of expanding and strengthening relations with those countries."

Last month, Honduran ambassadors presented their credentials in Austria, Turkey, Singapore, and Morocco. In addition, "negotiations are being carried out to establish relations at the level of embassies, with the consequent accreditation of diplomatic representatives in Nigeria, Kenya, Saudi Arabia, Oman, Kuwait, and Jordan." The report about the Honduran diplomatic expansion states that the government of that country has added "dynamism and depth to Honduran foreign policy."

NICARAGUA

DANIEL ORTEGA REVOLUTION ANNIVERSARY SPEECH

PA191758 Managua Domestic Service in Spanish 1554 GMT 19 July 85

[Speech by President Daniel Ortega on the occasion of the sixth anniversary of the triumph of the Sandinist revolution, at Managua's Carlos Fonseca Amador Square -- live]

[Text] We had estimated that 400,000 Nicaraguans would assemble at this square today, but it seems that some people have broken discipline. There are at least 500,000 Nicaraguans here. [applause]

Some people who should have stayed to guard their brigades must have come, and our estimates have been surpassed. This is the speech. Its words are the people who have mobilized to come here. This speech is action. Falseness is being crushed by the people here. Where are the people if not here? Where are the workers? [crowd chants: "Here!"] Where are the peasants? [crowd chants: "Here!"] Where are the fighters of the Interior Ministry? [crowd chants: "Here!"] Where are the youths? [crowd chants: "Here!"] Where are the women? [crowd chants: "Here!] Where is history, the FSLN, the revolution, truth? [crowd chants: "Here!"] The truth is here.

Many foreign delegations are with us for this event. This is an event of international solidarity. Among these delegations is a woman who our people know and who here, in this free land of Nicaragua, is not Isaura the slave, but Isaura, a liberated woman.

Aggression and terrorism, which have claimed more than 12,000 victims, including dead, wounded, and missing people, are lies. Truth lies in the people's dedication to production, study, and defense. Truth lies in the many and united hands of men and women of the cities and countryside who harvested more than 1 million quintals of coffee under the fire of the U.S. Government-financed terrorists. Falseness lies in the destruction carried out by the U.S. Government's mercenaries who destroy schools, homes, and health centers. Terrorism is the financing of those mercenaries' criminal activities, which have forced us to close 321 schools in some of the war areas affecting 7 percent of the grammar school population and 6 percent of the adult population. Falseness lies in the terrorism advanced by the U.S. leaders, through which 199 children under the age of 12 have been murdered, 166 wounded, and 203 abducted, for a total of 568 children under the age of 12 who have been victims of the U.S. terrorism. To these we must add the 7,582 war orphans. Terrorism is the financing on behalf of democracy of the criminals who have murdered 134 women. Terrorism is the desire to starve the Nicaraguan people through the economic embargo, cutting off direct cooperation, pressuring other governments and international organizations to stop their cooperation with Nicaragua. Terrorism is the more than $1.342 billion in economic losses that the United States has imposed on Nicaragua through its policy of aggression. Who is the aggressor? Who is the terrorist?

At 1700 hours on 17 July, the U.S. leaders sent us a note in which they state that U.S. citizens and the citizens of friendly countries and allies are increasingly becoming targets of international terrorist actions; that the U.S. Government and people are running out of patience; that a repetition of actions like the brutal murder of the six American citizens in San Salvador on 19 June 1985 would have serious repercussions. The U.S. note adds: We have learned that the Nicaraguan Government is supporting the persons participating in these terrorists actions. We consider it extremely important that the Nicaraguan Government clearly and fully understand that any terrorist attack against U.S. personnel in Honduras supported by Nicaragua will be considered the direct responsibility of the Nicaraguan Government, and a reaction should be expected from the United States.

Thus it should be understood that although this warning applies to possible acts of terrorism against U.S. citizens in Honduras -- and they insist on this issue of Honduras because elsewhere the note adds: We have learned that preparations are under way for launching a program of terrorist attacks against U.S. personnel in Honduras -- they conclude by saying: It is to be understood that although this warning applies to possible acts of terrorism against U.S. citizens in Honduras, based on specific reports, the U.S. reaction to acts of terrorism in other Central American countries or in other areas would be based on the same principles. A repetition, in any other part of Central America, of the murders of the six American citizens on 19 June in El Salvador would have serious repercussions for the perpetrators and those who aid them.

Naturally, we have flatly rejected this note. They, the U.S. leaders, are the ones who with their interventionist policy, who acting like policemen in the world, provoke difficult and tense situations and worsen conflicts. Nicaragua neither practices nor supports terrorism, nor has it been involved in any terrorist activity.

Who blew up the Corinto fuel deposits? Were we, the Nicaraguans, the ones who blew up the fuel deposits in Corinto? Who mined the Nicaraguan ports? Who bombed the Sandino Airport? Who published the CIA crime manual? Who then, are the terrorists? Who are acting as terrorists? The U.S. leaders or the Nicaraguan people and government?

In Nicaragua we have a popular saying for when someone accuses another of something and vice versa. In Nicaragua we say: We rest on the evidence. The U.S. rulers say we are the terrorists, and we say the U.S. rulers are the terrorists. Who is telling the truth? Who is lying? That is why we say: We rest on the evidence.

There is an international organization under the United Nations organization called the International Court of Justice. The United States has resorted to this organization on 11 occasions from its inception following World War II in 1946. Nicaragua has resorted to this organization twice, once prior to triumph of the revolution and once now, following the triumph. We invite the U.S. rulers to present their complaints to that organization. Let them show there if they favor international law; let them show there if, in fact, they favor democracy and justice; let them show there that they are not terrorists; and let them prove there that we are the terrorists.

Nicaragua has resorted to the International Court of Justice, accusing the United States of terrorism. It is up to them to go there and prove that they are not the terrorists. It is up to them to abide by the decisions that the court has already made so that the United States will not continue to act as a terrorist. If they, in fact favor international law, if they favor Contadora, if they favor the peaceful solution of the problems, then the United States should go to the court instead of threatening us, blackmailing us, attacking us, and acting as a terrorist. [applause]

However, if they are determined to stain themselves with blood, if they are determined to continue acting like the terrorists that they are, then they will probably not go to the court. We will continue defending the international legal order. We are always ready to sign the Contadora peace document. We have also accepted the proposals made by the Contadora Group on verification and control in the application of that peace document. We continue waiting for the United States to return to Manzanillo so the dialogue can continue, so we can normalize relations.

We are ready to begin talks with the Costa Rican Government to establish a security zone on the border with the support of a multinational force. We continue waiting for the United States at the International Court of Justice.

We are commemorating this sixth anniversary at a time when the international public opinion and the world's serious leaders describe these moments as extremely tense and filled with real threats for the future of mankind. There are bigger tensions in the political and military fields with the return to the Cold War, with the expansion of the militaristic policies, with the promotion of new arms races, and the attempts to take the war into space.

We are facing the intransigence and arrogance of the United States, which defends that hegemonistic policy in the world that endangers the security of mankind. In these difficult conditions, our revolution has been defending its achievements.

Alongside this critical military situation, we also face the deep economic crisis that especially affects the developing countries. We have been able to survive as a revolution amidst these difficult conditions. We have been able to survive, faced with the U.S. military and political aggression and also faced with the economic crisis and the economic aggression of the United States. We are hostage, along with dozens of other countries in the world, to the creditors and the unjust trade mechanisms. We are hostage to an unpayable debt and economic relations that cannot be endured by our peoples. We are hostage to an immoral, inadmissible, unsustainable, inhuman debt.

In these conditions, that oppressive and terrorist economic and financial system condemns the current and future generations to a truly difficult situation. However, history has shown that there is no insurmountable situation for the peoples and governments that, with a sense of responsibility and unity, have taken the path of the struggle in defense of the most elemental of their higher interests: the right to survival. What is at stake here is the right to survival of not only Nicaragua, but of Latin America, and of the Third World countries.

The U.S. leaders want to intimidate the peoples and governments so that we will not struggle for survival because they prefer slaves. That is why they scream, threaten, and attack. That is why they want to destroy the example of resistance that this Sandinist people's revolution has given to the peoples of Latin America, the Third World, and the world. [applause]

We must face the U.S. political terrorism that threatens Latin America's sovereignty here in Nicaragua. We must face that economic and financial terrorism that holds the Latin American peoples and governments hostage. This is the struggle of Latin America, which bears the burden of a $361-billion debt plus unequal trade practices. We are hostage to those who have forced Latin America to use 30 percent of its exports to pay interest. In the midst of a crisis the Latin Americans have exported $109.4 billion, while we imported only $34.2 billion. [sentence as heard] This means that in the past 3 years alone Latin America has accumulated a deficit of $71.2 billion with the international financial market.

How can we stop being the hostage of the debt and unequal trade? Where is our strength? Where did the Nicaraguan people receive the strength to achieve victory? Would division allow the Nicaraguan people to achieve victory? Or was it unity?

Unity is the road for the Latin American peoples. Unity was born so that creditors may understand it is necessary to have a new financial, economic, and trade relationship, that this is not a matter of pardoning our debt or forgetting the debt, because at the end of 10 years we would be indebted again, that we are not begging, that we are demanding the right to refinance our economies to be truly free. [applause]

The creditors and the countries that defend this unjust world economic order and that do not want to listen to the Latin American peoples and governments -- covering their ears and closing their eyes while continuing to advance with the handouts of the IMF -- had better remove their blindfolds and act in a consistent way or the people will revolutionize everything to set everything straight.

We are commemorating the sixth anniversary of the triumph of the revolution, and we are doing so with a rally of Nicaraguan representatives in this square. There are thousands of Nicaraguans participating in this commemoration on the battlefronts. They are probably fighting the CIA terrorists along the border areas right now.

That's our Army; those are the fighters of the Interior Ministry; those are the fighting peasants of the border areas. They are also working the land, producing to export and to feed our nation.

We are commemorating this sixth anniversary by struggling in the economic, political, and defense areas. There is a new form of struggle, introduced by a priest who has all the love and affection of the Nicaraguan people: Father Miguel, Father Miguel D'Escoto Brockman. [applause]

He is engaged in what he has called a fast for peace and life and against terrorism. We have been told that Msgr Mendez Arceo, who was invited to participate in this sixth anniversary activity, is not at this celebration. He is not here. Where do you think he could be? Could he be at the hotel, forgotten? He is with Father Miguel, fasting with him!

Father Miguel has sent us this note. He asked us to read it to the people today:

After 6 years of efforts and advances, we have again gathered to proclaim that Nicaragua is free and that it will always struggle, without selling itself out and without surrendering, to safeguard the liberty we achieved on 19 July. We thank the God of life for being alive today. We have not sold out. I can testify as a witness that the U.S. empire has tempted us over and over in an effort to make us desist from our revolutionary program and betray the people. They have offered us security and money, and this has always failed.

They don't understand that this revolution has a treasure: a passionate love for the well-being of the poor and for national sovereignty. That the treasure lies in our hearts, and you cannot put a price on a heart. We have used every trench to fight the imperialist demon. The arms are in the hands of the people to defend the dignity of the fatherland, to defeat aggression, and to win peace.

Nicaragua is planting and harvesting. Nicaragua is building and producing every day to defend the happiness and the lives of its children. Today, convinced that this kind of demon also needs fasting and prayers to be blessed...to be defeated, I beg your pardon -- it could hardly be blessed -- we have decided to pray and to fast.

From this Christian trench we defy the imperial might. We proclaim to the world that we are not a violent people and that we want peace. From this trench we continue trusting in victory. No, they will not crush our hopes. We must continue struggling with united efforts. We have to be more honest and more austere. Heroes don't say they are going to work, they just work. Heroes don't say they are doing a job, they just do it. We must live and treat each other as brothers. If each of us loyally does our daily duties, God will multiply our efforts.

The eyes of the world are on our little country with great expectation. God chose to lift Nicaragua over the horizon of history to turn it into a light for the poor of the earth, into an example where nations struggling for their own dignity can view themselves. Each Nicaraguan, each revolutionary, must also make every effort to serve humbly as an example. The road we have marched along until today has been beautiful, difficult, and planted with crosses. Today, along with the songs of victory with which we remember victory, there are the cries of the mothers who lost their children in this cruel war that the empire imposes on us.

This wounded, murdered, kidnapped, and threatened people will revive. They are reviving every day. They are doing so today, 19 July, in this square, to sing to victory.

God is singing with us!

I send you my greetings,

[Signed] Miguel D'Escoto Brockman [lengthy applause]

We want to send the combative greetings of the people gathered here today, to the education brigade members, to the mothers of young men and women whose only crime was to go teach reading and writing in the war zones and who have been kidnapped by the terrorists financed by the U.S. Government. These are heroic, honorable, and brave mothers who have also been on a fast for several days in the Red Cross offices. [applause]

Today is the sixth anniversary of the revolution and the Nicaraguan flags, the blue and white flag and the red and black flag are not lying on the ground trampled by the interventionist policy. The red and black flag and the blue and white flag have not been snatched from the hands of the people. The red and black flag and the blue and white flag continue firmly waving and firmly raised by Sandino's herioc people showing that we are invincible, that victory is ours, and that the future is ours. [applause]

We, sons of this heroic land, liberated ourselves by defending the truth that was turned into the people's right to be free, sovereign, and independent. We, sons of this heroic land, will continue to defend the truth that has been turned into schools, literacy, health, and land for the peasants until there is not a single illiterate left in Nicaragua, until no more children die from curable diseases, until there are no more landless peasants in Nicaragua. That is why we have already distributed more than 2 million manzanas of land and why we will continue to distribute land. Today 51,120 manzanas of land are being distributed to the Nicaraguans of Sumu origin in (Wasasin). The land, mother of generations as they call it, is being distributed to its true sons. [applause]

Today is the sixth anniversary of the revolution, and we will continue to defend the truth of this democracy, which is the people's power, popular power, union power, organization power, everyone's power for all. The truth of this project affirms political pluralism, a mixed economy, and nonalignment. It will be debated in the next few months in the national constituent assembly during the drafting of the constitution.

We will continue to defend this truth that promotes the right to autonomy of the inhabitants of Nicaragua's Atlantic region who are now returning to the banks of the Coco River, even though they run the risk of the terrorist attacks by the mercenaries who have their camps in Honduras.

We, sons of Sandino, will continue to defend the truth and to rebuild the schools, the health centers, and cooperatives that the terrorists destroy. We will continue to harvest the coffee in the war zones. We will continue to increase production in the rural areas and in the cities. We will continue to better distribute our few resources and to use them with efficiency, thus optimizing their use.

Here we should be watchful of our enemy's traps and our own errors so that by correcting errors we will be faithful to those who have given up their lives for the homeland. That is why we will continue defending the truth by being critical of our actions and our own errors in order to earn the right to criticize others. We will continue this truth called the revolution with rifles in the hands of the people; 200,000 rifles have already been turned over to the people. This is one more act of democracy.

Who is willing to take up the rifles? [indistinct shouts] Who is ready to take up the rifles to fight the aggressors sent by imperialism and the Yankee intervention if it comes? [crowd chants: "They shall not pass!"]

We want to see what the Nicaraguan people think. Some strategists of the Yankee intervention, Pentagon experts, and Pentagon and CIA analysts, say that destroying the Sandinists and the revolution in Nicaragua is like hitting a bowling pin. [crowd shouts: "No!"] What do you think? Will destroying the Sandinist revolution be like hitting a bowling pin? [crowd shouts: "No!"; indistinct chanting] To want to extinguish the light of the Sandinist revolution is to be as crazy as to think that they can extinguish the sun's light. [applause]

The Yankee strategists and analysts say that from the reports that they receive from Managua, from the U.S. Embassy and their agents who move about here in Managua, from the sellout agents who had the bad luck to be born in Nicaragua -- because for them it has been bad luck to be born in Nicaragua, and they should have been born somewhere else -- all of those people pass information to the State Department and Pentagon specialists and theyin turn give this information to President Reagan. As a result, President Reagan has the idea that the revolution in Nicaragua has lost the support of the people and that if an intervention takes place, the interventionist soldiers and the counterrevolutionary forces would be welcomed with hugs and kisses from the Nicaraguan people. [crowd shouts: "No!"] Or would they receive them fighting? [crowd shouts: "Yes!"] Or would they receive them fighting block by block? [crowd shouts: "Yes!"] Or would they receive them defending the neighborhoods? [crowd shouts: "Yes!"] Defending the cities? [crowd shouts: "Yes!"] Defending the rural areas, defending the country? [applause]

The strategists say -- they have been studying this -- that there will be no resistance in Nicaragua like that in Vietnam because Vietnam had borders with friendly governments and that Nicaragua does not have borders with friendly countries and that it is a region surrounded by friends of the United States.

However, the analysts have not taken into consideration that fact that even though it is true that Nicaragua does not have the best of relations with some Central American governments -- although we would like to have good relations with them -- we do have very good relations, excellent relations with the Central American peoples. [applause] We can affirm that we also have excellent relations with the Latin American peoples. [applause]

The U.S. Government should also look introspectively, because we are sure that we also have the friendship and sympathy of the U.S. people. [applause] We have the people of the world on our side, and we are sure that at the time of a Yankee intervention on our soil, the peoples of the world will make themselves heard and felt. [applause]

The analysts have also said that since Nicaragua would not have the means to receive a supply of ammunition and weapons at the time of an intervention -- that is, ammunition and weapons from abroad, sent by other friendly countries -- the United States has a big advantage, which supposedly it did not have in Vietnam. However, they do not take into consideration that in the same manner as Sandino resisted the Yankee troops for 7 years, now the first thing that our organized and armed people will do with their 200,000 rifles will be to fight against the invaders, in order to seize their weapons and ammunition, so that they will be our main source of supplies of weapons and ammunition. [applause]

David did not want to fight with Goliath, but when Goliath attacked him, David defended himself, and he did so with his sling, and since then, the small countries have defended themselves with David's sling, and today Nicaragua is using that same sling. [applause] That was the same sling that Andres Castro used to knock down the Yankee with a single stone; the same sling used by Zeledon when he faced the Yankee interventionists in 1912; the same sling that Sandino used; and the same one that the Nicaraguan people now have in their hands. [applause]

Today we are commemorating 6 years of struggle in defending the reality we call free Nicaragua! For 6 years we have been making dreams come true in these plains of the Nicaraguan Dirianes, Nagrandanos, Niquinohomos, Chorotegas, Chontales, Miskitos, Sumus, Ramas, Garifonos, Spanish descendants, mestizos. For 6 years we have been sculpting with blood and sweat, with joy and suffering this great reality called Nicaragua. For 6 years we have been defending the dreams, the hopes, the future in Teotecacinte, San Juan del Norte, and La Penca, in the Moropotente mountains, and in the [name indistinct] Jalapa, Isabelia, and Dariense mountain ranges. For more than 6 years, because we, descendants of Liquiranos, Dirianes, Nagrandanos and Chorotegas, we, descendants of Chontales, Matagalpas, Miskitos, Sumus, Ramas, and Creoles, Garifonos and Spaniards, we Nicaraguans, sons of the hoarse and resounding Momotombo [Volcano] will continue building and defending Nicaragua with Sandino. We will build schools on the banks of the Coco and San Juan Rivers with Rigoberto and Carlos; we will also build health centers, and roads, and it will all be done for Dario's homeland. [applause]

However, let's stop talking, and get down to work with our machetes and rifles. Let's produce cotton, coffee, beans, corn; let's harvest battalions of militiamen; let's harvest Battalions for Unconventional Warfare; let's harvest reserve infantry battalions since the people's conscience is mature. We are going to defend this truth, that in Nicaragua is called Free Fatherland [crowd replies: "Or death!"] Victorious Nicaragua [crowd replies: "Will Not Sell Out or Surrender"] Long live the sixth anniversary of the victory of the Sandinist Revolution! Long live the people's unity! Long live international solidarity! [applause]

RAMIREZ SAYS KIDNAPPED YOUTHS HELD IN HONDURAS

PA172342 Managua BARRICADA in Spanish 16 Jul 85 p 5

[Text] Rivas — Yesterday, Nicaraguan Vice President Sergio Ramirez Mercado revealed here that foreign reporters have seen several youths of the 50th Anniversary Education Brigade, whom counterrevolutionaries kidnapped several months ago, being held in mercenary camps in Honduras.

"We know that they are there. We know that is where those criminals are holding them," said the leader, while urging the people of Rivas and all Nicaragua to join in moral solidarity with the mothers of the teachers who are currently on a hunger strike at the Managua Red Cross [offices]. "To support those mothers who are fasting in protest of the contras' criminal actions, and thinking about the atrocities those children of the revolution must be suffering, constitutes a challenge to the entire Nicaraguan people," Ramirez stressed, adding that Father Miguel D'Escoto's fast is equally important. Ramirez said protests against terrorism and attacks on our fatherland deserve the country's total moral support, so that the support may also have an influence outside Nicaragua's borders.

Commenting on the U.S. policy of state terrorism against the Nicaraguan people, and the likelihood of a direct intervention by U.S. military troops, the vice president denounced the threats by the United States, and recalled that Nicaraguans possess more than 200,000 rifles to defend themselves.

"Any army wishing to occupy Nicaragua would have to begin thinking in terms of dozens of thousands of soldiers," he said, adding that estimates by [U.S. General] Wallace Nutting on the need to have a ratio of three soldiers for each armed Nicaraguan are wrong, because "three soldiers are not enough, and we do not know how many they will need." Ramirez added that, no matter what, the United States will face a shameful military and political defeat, if it decides to stage an armed invasion.

The vice president, who was presiding on behalf of the FSLN National Directorate at a ceremony commemorating the sixth anniversary of Rivas' liberation, said that Nicaraguans' major achievement in the years of revolution has been to consolidate revolutionary power. He explained that such a process of consolidation is experiencing growth and solidification of the Armed Forces. It is seeing organizational growth within the FSLN and the people's level of combative awareness, which enable us now to have people "capable of facing aggression, rifle in hand, to reject the terrorist counterrevolution and to defeat it in all areas," he said.

Attending the public ceremony where 250 members and long-time collaborators with the vanguard joined the FSLN, were Federico Lopez, political secretary of Region IV, Commanders Carlos Brenes and Omar Hallesleven, regional leaders of mass organizations and of the Armed Forces.

DOMINICAN POLITICIAN ON FOREIGN DEBT, U.S. POLICY

PA191500 Managua Radio Sandino in Spanish 1200 GMT 18 Jul 85

[Interview with Juan Bosch, leader of the Dominican Liberation Party, by unidentified reporter; date and place not given -- recorded]

[Excerpt] [Question] What is your opinion of the meeting proposed by Cuban head of state Fidel Castro to bring together all the Latin American political forces to discuss the foreign debt problem?

[Bosch] Fidel Castro is right when he says that Latin American cannot pay its debt. That debt accumulated in response [words indistinct] apparent generosity of the large American banks. I say apparent generosity, because actually it was a case of billions of dollars, issued and placed in circulation around the world to maintain the Vietnam war and the 400 U.S. military bases around the world, being pumped into the U.S. banks for years. Those dollars were [words indistinct] offering a high interest rate. The U.S. banks loaned those dollars to the Third World countries, including the Latin American countries, at higher interest rates than those they were paying the owners of those dollars.

This was the biggest deal in history: Dollars were bought at a given price -- let us say at $1.05 or $1.06, that is at 5, 5 and 1/2, or 6 percent per year, and sold at up to $1.20, $1,205, or even higher. That means that every day those banks receive billions of dollars in profit from interest rates, but (?not) on the other dollars still owed on the capital. Year after year, high and unjust interest rates must be paid against the capital.

We remain in debt, and since we cannot pay the interest and bring down the capital, the debt grows. As more dollars are received each year, we owe more dollars. Thus, Fidel Castro is right when he says that the Latin American peoples will not be able to pay that debt and that the Latin American governments should reach agreements to place conditions on the creditor banks: Either they negotiate with us, or we do not and will not pay. This implies declaring a strike on payments. In that case the major U.S. bankers would negotiate with our countries because they prefer to make less profit than to lose it all.

In addition to this, an effort must be made to create an international currency -- not the U.S dollar or the currency of any other nation -- to replace the dollar as the currency used for international trade. International trade is currently done in dollars.

Let's say that If Nicaragua buys from France...French wine, let us say, even though this is not the case, and France buys coffee from Nicaragua, France does not pay for that coffee in francs or cordobas, and Nicaragua does not pay for the wine in cordobas or francs. France pays in dollars, and Nicaragua pays in dollars. This was established during the Brest-Litovsk Conference of 1944, before the end of World War II.

I propose the creation of an international currency, independent from the currencies of all nations, that no one can deposit in any bank under a personal or company account. It must be a statal currency that can be used only by states through their central banks to collect payments from international trade.

[Question] What effects will President Reagan's illness have on Latin American and world affairs? Do you believe Reagan will make it to the November summit with Gorbachev?

[Bosch] Doctors have said that there is no danger of his condition deteriorating. Let us suppose that his condition is not serious. Nonetheless, as it is, the situation is a serious one. Healthwise, President Reagan is not the same man he was on the day before he had surgery. Fifty or 60 percent of his colon has been removed, as well as a cancerous polyp. Based on the premise that the outcome will not be fatal, he will still have to be under constant treatment to prevent a recurrence of the symptoms that prompted the surgery. No matter what the doctors and newspapers say, his political activity will be significantly curtailed.

On another matter of grave concern, it appears that President Reagan will issue instructions to use force against the countries that he classified as terrorist. Nicaragua is included among these. The most serious occurrence of the past several days has not been Reagan's surgery. Before surgery he issued violent statements inappropriate for a head of state, accusing Cuba, Nicarauga, and other countries of terrorism. He does not have any proof to present to the world that the Nicaraguan and Cuban states have taken part in or sponsored acts of terrorism.

President Reagan may be classifying a revolutionary uprising in El Salvador as an act of terrorism. In that case, the U.S. people's uprising led by George Washington to achieve independence from Great Britain would have to be described as an act of terrorism. The U.S. Civil War would also fit that pattern because in it Americans rose up against another group of Americans. President Reagan is confusing concepts and values.

Historical events like the war against Somoza in Nicaragua or the revolutionary uprisings that have taken place in Latin America, which are many, including the one in Cuba, are totally unrelated to terrorism. Terrorism is different. Terrorism is having Nicaraguan territorial waters mined to blow up vessels transporting goods for use by the civilian population, including oil or foodstuffs. Those mines were placed by CIA agents. That is terrorism. If the CIA is, as everything indicates, an agency of the U.S. Government, then the CIA is acting as an agent of terrorism. As an agency of the U.S. Government, it represents that state. The CIA's actions are the responsiblity of that state, headed by Reagan.

President Reagan is very mixed up. I don't know if this relates to the illness, the cancerous polyp, he was suffering from.

BORGE URGES MISKITOS TO HELP DEFEND COCO RIVER

PA180415 Managua BARRICADA in Spanish 16 Jul 85 p 8

[Text] Aomg the topics Commander of the Revolution Tomas Borge Martinez, interior minister, discussed at a press conference were the irreversible nature of the autonomy process for the Atlantic Coast, the commitment to talk to those sectors that support this project, and the difficulties posed by the return to the Coco River.

After briefly recapping the work done by the National Commission on Autonomy and the regional commissions, Commander Borge stressed that Nicaragua sees itself as a multiethnic and multilingual nation.

During the press conference, which National Commission members Companeros Orlando Nunez, Manula Ortega, and Ray Hooker also attended, it was stressed that the basic document, now under study by the Atlantic coasts' groups, ensures the ethnic groups from the Atlantic coast the right to exercise automony; the indivisible nature of Nicaraguan nationhood; and respect of the revolution's popular, democratic, and anti-imperialist principles.

On this matter, Commander Borge said: "The revolution made autonomy possible. Therefore, autonomy is the revolution's offspring, and it will have to recognize the revolution's basic principles."

In reply to a question, he also said that including groups like Miskitos, Sumus and Ramas [Misura] and Miskito, Sumu, and Rama Sandinist Unity [Misurasata] in the defense of the Atlantic coast is out of the question. However, any citizen, any Nicaraguan, can individually join the Atlantic coast's defense tasks and thus defend its autonomy.

These and other questions conveyed the current concern over violence unleashed against communities that are preparing to return to the Coco River, and over Nicaraguan Democratic Force [FDN] actions in that area of the country. On this matter, Commander Borge said that to date it has not been possible to confirm who kidnapped the Miskito commission, which was traveling along the Coco River. He said that Miskitos are aware of the risks they are running, but that their legitimate desire to return to the Coco River must be respected.

The Sandinist People's Army [EPS] and the Interior Ministry's appropriate agencies have taken steps to do the most to prevent these actions aimed at sabotaging the autonomy process. The most important measure is for "those communities to take defensive tasks into their own hands, and the revolution will give its full support toward that objective."

Borge also said that Nicaragua is totally committed to continuing talks with Brooklyn Rivera, and that it would be advisable for him to return to Nicaragua to resume the talks. To date, the only contacts made through the World Council of Indigenous Peoples state that the Miskito leader does not oppose that idea. Borge recalled that despite Eduardo Patin's death, attributed to an accident that has not been possible to corroborate or deny, the cease-fire in northern Zelaya has held.

The Sandinist leader repeatedly stated that the Sandinist's historical commitment to recognize the rights of Atlantic coast communities originates with the Nicaraguan people; it is in line with the revolution's course; and, aggressions and other terrorist acts merely reveal who are the enemies of autonomy, who are the enemies of the Indians, and who are the enemies of the revolution's advance.

ARDE'S DAVILA CALLS FOR 'QUALITATIVE' UNITY

PA181638 San Jose LA REPUBLICA in Spanish 8 Jul 85 p 8

[Text] Jose Davila, member of the Democratic Revolutionary Alliance [ARDE] directorate, has said that "the quantitative unit of the entire Nicaraguan opposition is indispensable to overthrowing the Managua dictatorship, but qualitative unity is more important, when we think about the period following the downfall."

He added that ARDE does not want to make the same mistake as in the past, when the only thought was to overthrow Somoza, without considering what would follow afterward.

Davila said that ARDE is willing to participate in an effort to achieve unity that will guarantee permanent social peace after the FSLN is ousted. To this end, we must achieve a unity "in which the influence of the sectors linked with the past that was overthrown in 1979 is clearly defined."

On another subject, Davila told LA REPUBLICA that the Socialist International is worried about the "heightening" of the East-West conflict in Nicaragua, and about ARDE's situation.

According to Davila, he recently met with Socialist International representatives, who expressed their concern over ARDE's situation and over the possible escalation of the Nicaraguan armed conflict.

"I told them that our political-ideological position is clear and that in addition to Cuba and the USSR, those responsible for the polarization of the East-West conflict are those within the Socialist International who never withdrew their support for the nine commanders, thus favoring the Soviet imperialism," Davila stressed.

In conclusion, he said that the Socialist International will adopt a "definite stance on Nicaragua, adding that he knows that there have been "many internal discussions" within the Socialist International over the FSLN's attitude.

REGIONAL DEBT CONFERENCE ISSUES HAVANA ACT

FL201245 Havana Television Service in Spanish 0030 GMT 20 Jul 85

[Text of Havana Act read by unidentified member of the Reporting Commission at the closing of the 15-18 July Latin American and Caribbean trade union conference on the foreign debt, held in Havana's Palace of Conventions -- recorded]

[Text] The Latin American and Caribbean trade union conference on the foreign debt was held in Havana 15-18 July 1985. Leaders of 46 national trade union confederations or central organizations; 135 trade union, professional, or territorial organizations, 16 peasant organizations; and 9 bodies of regional and international organizations were present at this conference. A total of 330 trade union members of 197 organizations from 29 Latin American and Caribbean countries participated at this event. The unanimous view was that this conference had been the broadest and most representative event, the one most geared toward unity, of any held by the organized Latin American and Caribbean trade union movement. The union leaders (?present here) also stressed the timely and necessary nature of this meeting, held at a crucial moment for political and economic independence and for the regional peoples' future.

Participants referred to the extreme gravity of the current economic crisis, whose intensification affects both Latin America and the Caribbean, placing the area countries in a worse situation than that experienced during the so-called Great Depression of the 1930's.

In Latin America, the gross national product [GNP] grew only 1.7 percent in 1981, in 1982 and 1983 it declined in absolute terms by 1 and 3 percent, respectively, and in 1984 it grew by a weak and insufficient 2.6 percent. This means that in terms of GNP per inhabitant, both Latin America and the Caribbean have declined to the levels they had 10 years ago.

Numerous participants stressed the tragic economic and social situation suffered by the Latin American peoples plunged into this crisis -- especially workers in both rural and urban areas, who are the victims of unemployment, deteriorating standards of living, and an alarming increase of extreme poverty -- and referred to the internal structural changes required to resolve these problems. In this connection, it was underscored that in Latin America and the Caribbean there are approximately 56 million unemployed people and 110 million underunemployed people. No less than 40 percent of Latin America's population lives on the lower limits of critical poverty and 30 percent live under these limits.

All participants stressed that the foreign debt is the most dramatic expression of the current crisis as well as its most important element. It not only tends to worsen the crisis but also prevents economic recovery, blocks every chance of development, and subjects our people, especially the workers, to unbearable policies that restrict their standards of living and jeopardize our sovereignty by intensifying our dependence on creditor banks, the IMF, and the governments of the industrialized countries, which control this organization' decisions.

The participants reviewed the most important aspects of the process of rapid Latin American indebtedness as well as its causes, indicating that the causes can be found in the principles of the present unfair international economic order, especially the unequal exchange situation that forces us to sell at lower prices every time, while we buy at increasingly higher prices. In 1984 alone, protectionism and dumping, [preceding word in English] based on a selfish policy of subsidizing products that otherwise would not be abelt to compete in the markets -- resulted in some $20 billion. This contradicts the hyprocritical rhetorical endorsements of free trade frequently voiced by the U.S. and EEC governments.

The combined effects of high interest rates and the overvaluation of the dollar, which represent an additional $45 billion annual expenditure for the regional economies, increase interest rate payments. This in turn leads to more flight of capital, which during this period totaled over $10 billion, increases the cost of amortization in dollars, and aggravates inflation.

The participants also pointed to the irresponsibility of creditor banks which, competing to place their capital in the form of loans, disregarded bank-security rules and induced the regional countries to contract debts in order to maintain the considerable profits that these banks have obtained and continue to obtain.

IMF policy and principles are unanimously condemned, as this institution reflects the interests of the creditor banks and the governments that created and control it. The IMF, with its rigid monetarist approach that concerns itself only with monetary variables and fiscal balances while remaining totally indifferent to the harsh social realities of Latin America and the Caribbean, unemployment and the improverishment of workers, is playing an ill-fated role. It has demonstrated that it is the gendarme protecting the banks' profits as well as the institution charged not only with supervising but also with economically repressing Latin American countries.

The participants agreed to describe the constant debt renegotiations as false solutions to the debt problem because, conducted at high cost and under ominous conditions imposed by the IMF, these renegotiations only serve to prolong our countries' agony and bolster their dependence and subjection.

The debt crisis, they pointed out, is like a suffocating noose around the necks of Latin American and Caribbean peoples and workers. Further tightening is equivalent to death. The only alternative is to face this challenge firmly with dignity, unity, and solidarity.

Most participants called for annulment of the foreign debt. Other unionists suggested moratorium variations, the immediate suspension of debt and interest payments, or their indefinite postponement. However, they all agreed that the debt is unpayable. This view is essential for achieving economic recovery and improving the levels of employment, education, health, and social security in Latin American and the Caribbean. It is even essential for our aspirations to exercise true sovereignty over our political and economic destines on the basis of eliminating that instrument of dependence and foreign coercion.

Participants also stressed that the annulment, moratorium, immediate suspension of payment, or indefinite postponement of debt and interest payments is essential for the survival of the regional processes of democratic opening. They noted that, should efforts be made to continue collecting this debt at any cost, general social explosions would occur as a result of the unbearable situation to which our workers and masses have been led. With their herioc resistance to IMF impositions, certain regional peoples have already dramatically underscored that these limits are being reached.

There was broad concurrence on the need to indissolubly link the solution proposed to resolve the foreign debt problem to the establishment of the new international economic order whose principles were approved by the UN Generaly Assembly in 1974. Participants asserted that unless phenomena of such negative effects for Latin America and the Caribbean as the unequal exchange, the unjust practice of protectionism affecting our countries, the uncontrolled actions of transnational companies, and the monetary and financial manipulations that establish high interest rates and favor the overvaluation of the dollar are eliminated, short-term relief would soon disappear, and we would once again find ourselves in similar or worse situation than the present one.

Similarly, a large majority endorsed the idea that it is essential to exercise the firmest Latin American unity, unity characterized by solidarity, so that along with our actions in connection with the foreign debt and the struggle for the establishment of a new international economic order, we can march with resolve toward regional economic integration, using it as a powerful means for achieving economic development, bolstering our negotiating capacity, and improving the standard of living of our workers and peoples.

In keeping with the above, the conference agreed that participating trade unionists should approach their respective organizations to propose a mobilization of the workers, making these banners of struggle their own: Annulment, moratorium, immediate suspension, or indefinite postponement of foreign debt and interest payments; establishment of a new international economic order; Latin American and Caribbean unity, and advancement toward forms of Latin American and Caribbean economic integration at the service of our countries' development and independence.

The participating union leaders fully agreed that in order to achieve these goals, and faced with the gravity of the crisis affecting all regional workers and peoples, it is essential for the trade union movement's various tendencies and persuasions to continue looking for a broad base for practical agreement so we can make an increasingly effective contribution to the struggle for the rights of our affiliates and countries without detriment to our respective positions, and as an expression of our sense of historic responsibility and the Latin American and Caribbean spirit that moves us all.

Participants at the conference also underscored that the arms race and the policies of interference and aggression worsen the economic crisis, negatively affect the foreign debt, and use resources needed for development. Therefore, they stressed that the struggle for a reduction of military expenditures is indissolubly connected to the struggle for peace and our people's development.

They unanimously agreed that this meeting has made a historic contribution to this objective by favoring an exemplary, democratic, and respectful dialogue based on the absolute equality of all currents of hemispheric unionism. During this dialogue, each leader was able to explain the views of his country's trade union movement, his organization, or his own personal opinions, as the case may be, in a framework of absolute freedom.

As the organization charged with organizing this event, the Central Organization of Cuban Trade Unions stressed from the very outset that the idea was not for this conference to reach definitive agreements. However, the participating unionists' broad consensus regarding the adoption of recommended actions and their submission for consideration by the various organizations to which the union leaders gathered here in Havana belong became evident during the meeting.

The proposals agreed on, which reflect the feelings of the immense majority of participants follow:

1. To propose to the organized trade union movement that it demand from the governments of their respective countries the adoption of measures leading to the annulment, moratorium, suspension, or indefinite postponement of the foreign debt and interest payments, and the expression of solidarity with the other Latin American and Caribbean countries that assume this stand.

2. To suggest to the labor organizations that, in accordance with each country's specific conditions, they promote the incorporation of governments into a united front of Latin American and Caribbean debtor countries that might serve as interlocutor vis-a-vis the private banks, the international financial organizations, and the governments of the creditor industrialized countries.

3. To recommend that union and peasant leaders participating in this event propose to their organizations a continued review of the foreign debt problem with the broadest participation possible, in order to reach consensus about its causes, repercussions, and the struggle strategy that each country must adopt to face this situation.

4. To transfer to the unions and peasant organizations the suggestion that, in the struggle to solve the debt problem, they should closely associate with other social forces and their organizations -- students, youths, intellectuals, businessmen, religious and feminine sectors, inhabitants in general, human rights organizations, university professionals, and teachers.

5. To foward the results of this conference to the Latin American and Caribbean heads of state or government, the United Nations and its worldwide and regional organizations, SELA, the creditor countries' governments, and official and private financial institutions and all personalities and organizations deemed appropriate.

6. To disseminate as much as possible the results of this conference among workers and peoples in general, as well as the information available on the economic crisis affecting the regional countries and its most important aspects, foremost among these, the foreign debt.

7. To endorse the Latin American and Caribbean trade union movement's next action geared toward unity, which might include the creation of the coordination mechanisms firmly advocated at this conference by a majority of participants in order to advance to higher levels the hemispheric organized workers' struggle in face of the debt problem.

8. To urge all workers and trade union organizations in Latin America and the Caribbean to stage a day of continental action on 23 October 1985 [lengthy applause] against the foreign debt and its catastrophic effects on our countries' social and economic lives.

9. To support all regional or subregional summons on the subject of the foreign debt, such as the trade unions' conference called by southern cone trade unions for late 1985, and the next trade union conference of Latin American and Caribbean workers, slated for Bolivia. The latter has been called by the Bolivian Labor Federation to give continuity to this effort while demonstrating solidarity with the workers of that fraternal country, one of the most seriously affected at present by the dstructive consequences of the economic crisis and the foreign debt.

10. Inspired by the historic legacy found in the sacred book of the Mayas, which says: May all rise, let all be summoned, let there not be one or two among us who stay behind, participants at this conference finally reiterate, based on this, their commitment to fight first, for the annulment, moratorium, immediate suspension, or indefinite postponement of foreign debt and interest payments; [applause] second, for the establishment of a new international economic order; [applause] and third, for Latin American and Caribbean economic integration at the service of our countries' development and independence. [applause]

To put the above on record, all participants are signatories on this 18th day of July 1985, here in Havana. [applause]

Castro Praises Document

FL191410 Havana Domestic Service in Spanish 1100 GMT 19 Jul 85

[Special report]

[Text] The final declaration adopted by the 330 delegates who attended the 4 days of sessions of the Latin American and Caribbean trade union conference on the foreign debt in the Cuban capital has been termed outstanding. The text, known as the Havana Act, shows the thorough analysis the topic received during the conference. It is destined to set guidelines in the struggle for continental economic liberation. In the act, the delegates called for the annulment of the foreign debt, a moratorium, immediate suspension or postponement of payments and interest for a set number of years. The majority also agreed that it is necessary to have a new international economic order, something which was approved by the UN General Assembly 11 years ago. Another special point of interest was the summoning of all workers and all Latin American-Caribbean trade union organizations to the 23 October day of continental action against the foreign debt.

All the elements mentioned, and many others, made it possible for Cuban President Fidel Castro to praise highly the feeling of responsibility with which the act was approved. The Cuban statesman said the act constitutes a great success, and stressed it reflects the problems examined in Havana and that it will have great repercussions, and not only in Latin America. I am well aware we have taken a great step forward, the highest Cuban official said and noted that the act will energize this unification movement and struggle. The struggle for nonpayment of the debt, for a new international economic order, and for the integration of Latin America is a struggle for the liberation of the peoples of the continent, the Cuban president stressed.

PARIS CLUB AGREES TO RESCHEDULE $3.4 BILLION DEBT

AU191722 Paris AFP in English 1718 GMT 19 Jul 85

[Text] Paris, July 19 (AFP) -- The 10 leading creditor countries owed money by Cuba have agreed in principle to a major reorganisation of the 1985 debt servicing burden so as to improve the outlook for external payments, the so-called Club of Paris of creditors said here today. The decision followed a meeting of the Club on Cuban debts to Western countries and backed by state guarantees, recently estimated at 3.4 billion dollars.

Cuba's debts to the Soviet Union are not known, but U.S. estimates put them at some 14 billion dollars. In June, Cuban President Fidel Castro said these debts were automatically renegotiated, without difficulty, for 10 or 15 years, without interest.

The Club of Paris has decided it is necessary for the success of the economic and financial programme enacted by the Cuban Government, to proceed with refinancing or rescheduling of servicing of the debt between January 1 and December 31, 1985, the Club said. Creditor countries decided to consider later rescheduling of service of the debt due in 1986.

MIRET PRIETO ATTENDS SANDINIST ANNIVERSARY

FL190232 Havana Domestic Service in Spanish 0000 19 Jul 85

[Excerpt] Government delegations from Vietnam, Bulgaria, and Cuba, which have been invited to festivities commemorating the sixth anniversary of the Sandinist revolution triumph, today arrived by plane in Managua, Nicaragua. Politburo member Pedro Miret Prieto heads the Cuban delegation.

DOMINICA

CHARLES NAMES FOUR GOVERNMENT SENATORS

FL192341 Bridgetown CANA in English 2310 GMT 19 Jul 85

[Text] Roseau, Dominica, July 19, CANA -- Dominican Prime Minister Eugenia Charles today named former Acting Head of State Jenner Armour among government's senators for the new parliament, following the July 1 general elections. A government statement said Armour, who failed to regain his Paix Bouche seat in the elections, losing it to the sole candidate of the communist United Dominica Labour Party (UDLP), Rosie Douglas, had been selected because of his constructive criticisms in the house over the past five years. Armour was among four of the government senators named by Prime Minister Charles. She also named another unsuccessful election candidate Bernard Carbon, Ossie Walsh of the youth arm of the ruling Dominica Freedom Party, and Swanston Carbon, the only government senator in the last parliament. The statement quoted Miss Charles as saying she will soon be appointing the fifth government senator, and today the weekly NEW CHRONICLE newspaper speculated that it might be President of the Waterfront and Allied Workers Union Louis Benoit.

Miss Charles has brushed aside rumours circulating here that Mrs Marie David Pierre would no longer serve as speaker in parliament. Today's statement quoted the prime minister as saying that Mrs Pierre would again be nominated at the first sitting of the new parliament, a date for which has not yet been announced.

Under the Dominica Constitution, government names five senators and the opposition four, to bring to 30 the complement in the otherwise elected parliament. Twenty-one members of parliament were elected in this month's poll. The DFP won 15, the Dominica Labour Party five, and the opposition has already named its four senators.

GRENADA

PRIME MINISTER TO ATTEND IDU CONFERENCE IN U.S.

FL201707 Bridgetown CANA in English 1601 GMT 20 Jul 85

[Excerpts] St George's, Grenada, July 20, CANA -- Grenada Prime Minister Herbert Blaize, who will visit the United States next week, says he will have a breakfast meeting with Secretary of State George Shultz during his one-week stay. Blaize, in a statement to parliament yesterday, said he would leave for Washington on Tuesday, along with Health and Housing Minister Danny Williams, to participate in a three-day conference of the International Democratic Union (IDU), which will bring together leaders and officials of major democratic parties in the non-communist world. Blaize will attend the U.S. conference as an observer in his capacity as political leader of the ruling New National Party (NNP). The IDU meeting, which opens on Wednesday, will focus on the protection of democracy and economic issues.

JAMAICA

MILITARY TRAINING AGREEMENT SIGNED WITH CANADA

FL192250 Bridgetown CANA in English 2226 GMT 19 Jul 85

[Text] Kingston, Jamaica, July 19, CANA -- Jamaica and Canada have signed an agreement for the training of Jamaican soldiers in Canada.

Under the agreement, Canada will provide places in their military training programme for candidates nominated by the Jamaica Defense Force (JDF). The new programme replaces one Jamaica has had with Canada since 1965. Courses in which selected candidates may take part include intitial fixed and rotary wing pilot training, instrument check pilot, and fixed wing helicopter flying.

Over 250 candidates from the JDF have been trained in Canada since 1965, making it the largest such programme undertaken by Ottawa, according to the national news agency, JAMPRESS.

The agreement was signed by Jamaica National Security Minister Winston Spaulding and the Candaian High Commissioner to Jamaica David Reece.

JUNIOR PUBLIC HEALTH DOCTORS RESUME 'WORK-TO-RULE'

FL200406 Bridgetown CANA in English 2025 GMT 19 Jul 85

[Text] Kingston, Jamaica, July 19, CANA -- Junior doctors in Jamaica's Government health service have resumed a work-to-rule to back demands for a better offer for fringe benefits, informed medical sources said today. The sources said the doctors had decided to work between 8 am and 5 pm and the action could severely disrupt the functioning of the public health service. Doctors and government representatives have been meeting on the payment of overtime. In June they took industrial action but called it off when the government decided to meet and discuss the issue.

The university hospital, hit by a one-shift work schedule, is only dealing with emergency cases. The major maternity hospital in Kingston, the Victoria Jubilee, is also on an emergency schedule.

NETHERLANDS ANTILLES

ARUBA COUNCIL APPROVES SECESSION BILLS

FL181648 Bonaire Trans World Radio in English 1130 GMT 18 Jul 85

[Text] The Aruba Island Council overwhelmingly endorsed two bills giving Aruba the go-ahead to secede from the Netherlands Antilles on January 1, 1986 and become independent from Holland 10 years later. The bills passed both chambers of the Dutch parliament in early June ans were approved by the Antilles Senate at the end of the month. The council's approval was the last step in making the secession official. The legislation outlined legal procedures for making Aruba independent of the 5 other Netherlands Antilles islands and the third nation in the Dutch kingdom.

SHELL REFINERY TO CLOSE IF ACCORD NOT REACHED

FL191540 Hilversum International Service in Spanish 1030 GMT 19 Jul 85

[Text] The Shell Company has stressed that its oil refinery on Curacao will close down at the end of this month if an accord is not reached with the Venezuelan oil company within 10 days. Dutch Prime Minister Ruud Lubbers on his return from Venezuela said that an accord between Shell and the Venezuelan oil company is likely to be reached. He added that only if proceedings took an unexpected turn would problems arise. One of the points in question is the settling of a price for crude oil. If the refinery remains operational, Shell is prepared to retain the majority of shares. Shell is demanding that the Netherlands Antilles hold the minority interest and that countries hoping for the continued operation of the refinery will give the project political support.